



**KERALA STATE
ELECTRICITY REGULATORY COMMISSION**

**ANNUAL REPORT
2017-2018**

**(To be placed before the Kerala Legislative Assembly, as per
Section 105 of Electricity Act, 2003)**

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1. INTRODUCTION

The Kerala State Electricity Regulatory Commission, established in the year 2002, entered in to its 16th year of service in 2017-18. During this period, this statutory body has taken all efforts to maintain a fair, transparent and objective regulatory system in the Power Sector of the State of Kerala. In this Annual Report, the Commission hereby presents its activities during the financial year 2017-18. As in the previous reports, this annual report also provides an insight into the earnest and concerted efforts made by the Commission for achieving its specified and perceived goals.

2. THE COMMISSION

The Kerala State Electricity Regulatory Commission was constituted as a quasi-judicial body under Sub-section (1) of Section 17 of the Electricity Regulatory Commissions Act, 1998 vide Government Order G.O.(MS).No.34/2002/PD dated 14th November, 2002 published in the Government of Kerala Gazette, Extra-Ordinary dated 18th November, 2002. The Commission is a body corporate having perpetual succession and a common seal, with power to acquire, hold and dispose of property, both movable and immovable, and to contract and shall, by the said name, sue or be sued. The Commission, came under the purview of the Electricity Act, 2003, with effect from 10th June, 2003 as the Electricity Regulatory Commissions Act, 1998 was repealed.

The Commission consists of a Chairperson and two Members. In recognition of the need for a multi-disciplinary approach while addressing issues related to independent regulations, the statute prescribes that the Chairperson and Members shall be persons of ability, integrity and standing who have adequate knowledge, experience and proven capacity in dealing with problems relating to engineering, finance, commerce, economics, law or management. The Chairperson and the Members are appointed by the Government of Kerala on the recommendation of a Selection Committee constituted under the statute. The statute also provides for the appointment of a Secretary to the Commission, whose powers and duties are as delegated by the Commission.

3. FUNCTIONS OF THE COMMISSION

The Commission is vested with the responsibility of performing the following functions under Section 86 and other enabling provisions of the Electricity Act, 2003.

- (a) Determination of the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the State;
- (b) Regulating the purchase of electricity and procurement process of distribution licensees including the price at which electricity shall be procured from the

generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State;

- (c) Facilitating intra-state transmission and wheeling of electricity;
- (d) Issuance of licences to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State;
- (e) Promoting co-generation and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;
- (f) Adjudication of the disputes between the licensees and generating companies and to refer any dispute for arbitration;
- (g) Levying fee for the purposes of the Electricity Act, 2003;
- (h) Specifying Kerala Electricity Supply Code;
- (i) Specifying State Grid Code;
- (j) Specifying regulations relating to standards of performance and enforcement of standards with respect to quality, continuity and reliability of service by licensees;
- (k) Fixing the trading margin in the intra-State trading of electricity, if considered, necessary;
- (l) Discharging such other functions as may be assigned to it under the Electricity Act, 2003;
- (m) Advising the State Government on all or any of the following matters, namely:–
 - (i) Promotion of competition, efficiency and economy in the activities of the electricity industry;
 - (ii) Promotion of investment in the electricity industry;
 - (iii) Reorganization and restructuring of the electricity industry in the State;
 - (iv) Matters concerning generation, transmission, distribution and trading of electricity or any other matter referred to the State Commission by the State Government.
- (n) Management of Kerala State Electricity Regulatory Commission Fund constituted under Section 103 of the Electricity Act, 2003.

4. CHAIRMAN AND MEMBERS OF THE COMMISSION

Sri. T.M. Manoharan, IFS (Rtd) continued as Chairperson till his retirement on 02.05.2017. Sri. K. Vikraman Nair and Shri S.Venugopal continued as Members. Sri. Santhoshkumar K.B continued as Secretary.

Sri.Preman Dinaraj.R, IAAS (Retd.) assumed charge as Chairperson on 01.08.2017. Sri.S.Venugopal, Member was in charge of the post of Chairperson from 03.05.2017 to 31.07.2017.

5. OFFICE OF THE COMMISSION

The Commission's office is located at KPFC Bhavanam on C.V. Raman Pillai Road, Vellayambalam, Sasthamangalam P.O., Thiruvananthapuram – 695010

6. STATE ADVISORY COMMITTEE

The State Advisory Committee constituted as per Section 88 of the Electricity Act, 2003 is entrusted with the task of advising the Commission on major questions of policy, matters relating to quality, continuity and extent of service provided by the licensees; compliance by licensees with the conditions and requirement of their licence, protection of consumer interest and electricity supply and overall standards of performance by utilities. The Committee reconstituted as per notification No. 955/ Admn./2013/KSERC dated 03.02.2015 continued during the period also.

The following were the members of that Committee.

(i)	Sri T.M. Manoharan ,Chairman Kerala State Electricity Regulatory Commission (up to 02.05.2017) Sri.S.Venugopal, Member in charge of Chairman Kerala State Electricity Regulatory Commission (from 03.05.2017 to 31.07.2017) Sri.Preman Dinaraj.R, Chairman Kerala State Electricity Regulatory Commission (from 01.08.2017)	:	Ex-officio Chairman
(ii)	Sri. S. Venugopal, Member Kerala State Electricity Regulatory Commission	:	Ex-officio Member
(iii)	Sri. K. Vikraman Nair, Member Kerala State Electricity Regulatory Commission	:	Ex-officio Member
(iv)	The Secretary, Power Department, Government of Kerala, Thiruvananthapuram.	:	Ex-officio Member

(v)	The Secretary, Consumer Affairs Department, Government of Kerala, Thiruvananthapuram.	:	Ex-officio Member
(vi)	The Chairman and Managing Director, Kerala State Electricity Board Ltd, Vyduthi Bhavanam, Pattom, Thiruvananthapuram.	:	Member
(vii)	The Director (Distribution&Generation-Electrical) Kerala State Electricity Board Ltd,Pattom Thiruvananthapuram	:	Member
(viii)	The Director, Energy Management Centre, Sreekariyam P.O., Thiruvananthapuram.	:	Member
(ix)	The Director, ANERT, Thiruvananthapuram	:	Member
(x)	The General Manager, N.T.P.C., Kayamkulam	:	Member
(xi)	Sri. K. Asokan, Chairman, Friends of Electricity Employees and Consumers, 'Madhavam', Mayanad P.O., (Via.) Medical College, Kozhikode- 673 008	:	Member
(xii)	The President, Kerala State Small Industries Association, Veekay Towers, Beerankunju Road, Kochi- 682 018	:	Member
(xiii)	Fr.Thomas Peelianickal, Executive Director, Kuttanadu Vikasana Samithi,Ramankari, Alappuzha	:	Member
(xiv)	The Chairman, Confederation of Real Estate Developers' Association of India (CREDAI), C/o SI Property (Kerala) Private Ltd., 'Silver Oaks', Near Golf Club, Thiruvananthapuram- 695 003	:	Member
(xv)	Sri. K. P. Babu, Rarichanpuram, Karalink Road, Karaparamba, Kozhikode- 673 010	:	Member
(xvi)	The President, Chamber of Commerce, T.T.C. Road, Jawahar Nagar, Kowdiar, Thiruvananthapuram	:	Member
(xvii)	The President ,The High Tension & Extra High Tension Industrial Electricity Consumers' Association Productivity House, Kalamassery- 683 104, Ernakulam District	:	Member
(xviii)	Sri. R. Chandrachoodan Nair, R.G Bhavanam,Thyекkevila P.O, Kollam- 16	:	Member

(xix)	Sri T.K.Bhaskara Panicker, President, FRATS (Federation of Residents' Association) Renfrew College,USRA-72, Vellayambalam, Thiruvananthapuram	:	Member
(xx)	Sri. S.Balasubrahmanian, Asst. Director-Projects, Smart City(Kochi) Infrastructure Ltd., Brahmapuram P.O., Kochi.	:	Member [Expired]
(xxi)	Sri.Ravi, Chalakudy puzha Samrakshana Samithi,Chaithanya,Pariyaram,Chalakudy	:	Member

7. STATE CO-ORDINATION FORUM

In 2006, the Government of Kerala constituted a State Co-ordination Forum under Section 166 (4) of the Electricity Act, 2003, which was reconstituted in 2011. Thereafter, since most of the members of the Forum have retired or been transferred from their position, a proposal for reconstituting the Forum by nominating members by their designation and not by their individual names, was forwarded to Government. Orders in the matter is awaited.

8. LICENSEES

The Kerala State Electricity Board Ltd. continued to function as the State Transmission Utility and as distribution licensee as per Section 14 of the Electricity Act, 2003. In addition to Kerala State Electricity Board Ltd, the following are the distribution licensees in the State.

- (i) Thrissur Corporation, Thrissur
- (ii) Kannan Devan Hills Plantations Company Private Limited (KDHPCL), Munnar
- (iii) Technopark, Kazhakuttam, Thiruvananthapuram
- (iv) Cochin Special Economic Zone Authority (CSEZA), Kakkanad, Kochi
- (v) KINESCO Power Utilities Private Limited (KPUPL), Kakkanad, Kochi
- (vi) Rubber Park India Private Limited (RPIL), Valayanchirangara, Ernakulam
- (vii) Cochin Port Trust, Willingdon Island, Kochi
- (viii) Infopark, Cochin
- (ix) Smart City Kochi Infrastructure pvt Ltd
- (x) Kerala State Information Technology Infrastructure Ltd ,Park Centre, Technopark (Registered office of Cyber Park area in Kozhikode).

9. PROCEEDINGS OF THE COMMISSION

The details of the public hearings and other proceedings of the Commission are furnished in Annexure I.

10. REGULATIONS ISSUED BY THE COMMISSION

1. KSERC (Conduct of Business) Amendment Regulations, 2017
Notification dated 19.10.2017, Gazette dated 25.10.2017
2. KSERC (Renewable Energy) Amendment Regulations, 2017
Notification dated 02.11.2017, Gazette dated 17.11.2017
3. KSERC (Conduct of Business) Amendment Regulations, 2018
Notification dated 01.02.2018, Gazette dated 07.02.2018

11. Abstract of disposal of petitions received by the Commission.

No. of petitions pending settlement as on 31.03.2017	-	25
No. of petitions received during 2017-18	-	59
No. of petitions disposed of during 2017-18	-	35
No. of petitions pending as on 31.03.2018	-	49

Split up of petitions pending as on 31.03.2018

I	Petitions enlisted as Sl. Nos. 15 to 20, 30,32 &35 in the list of pending petitions are with the Commission	9
II	Proceedings stayed / cases pending before various judicial fora in petitions enlisted as Sl. Nos.1,3,5,6,7,10 &12	7
III	Petitions pending with the Technical Wing are enlisted as Sl. Nos. 2,4,8,9,11,13,14,21 to 26,29 &31	15
IV	Petitions pending with the Finance Wing are enlisted as Sl. Nos.27,28,33,34 &36	5
V	Petitions pending with the Legal Wing are enlisted as Sl. Nos. 37 to 49 (Tree cutting compensation)	13
	TOTAL	49

The details of petitions pending as on 31.03.2018 are as given below,-

Sl. No	Date	Petitioner	Respondent	Subject matter.	Remarks
1.	13.07.16	KSEBL	M/s LKPL	Non supply of gas power by LANCO	Matter is pending before the Hon'ble APTEL
2	20.10.16	KSEBL		Approval of long term transmission plan	DPR submitted by KSEBL is under scrutiny
3.	16.11.16	KSEBL		Truing up for 2014-2015	Appeal filed by KSEBL is pending before Hon'ble Supreme Court.
4.	27.01.17	KPUPL	KSEBL	Petition for including Addl. licensing area.	Draft order is under preparation.
5.	03.04.17	Capitan Exporting Co.	KSEBL	Petition u/s 142 of E.A .2003	Proceedings stayed by Hon'ble High Court.
6.	20.06.17	Atlas Gold Township	Madhuraj & others	Review Petition in CP 9/16	Proceedings stayed by Hon'ble High Court.
7.	Do.	Do.	CP Mathew & others	Review Petition in CP-8/16	.Do.
8.	27.06.17	M/s IREDA Ltd.	KSEBL	Approval of PPA for solar power project.	Petitioner is directed to file revised petition
9.	13.07.17	M/s INOX Renewables	KSEBL	Approval of PPA for wind power project	Details furnished by INOX is under scrutiny.
10.	24.08.17	Mata Amritananda mayi Math	KSEBL	Petition u/s 142 of E.A.2003	Proceedings stayed by Hon'ble High Court
11.	19.09.17	M/s Technopark	KSEBL	Approval of Capital Investment Plan.	Petitioner is directed to file revised petition.

12.	04.10.17	KSEBL	CP Mathew & others	Review Petition against order dt. 28.04.17	Matter is pending before Hon'ble High Court.
13	20.10.17	KSEBL	Ajantha Colour Lab	Fixation of Tariff.	Hearing conducted on 20.03.18 and daily order is under preparation.
14	31.10.17	M/s KPUPL	KSEBL	Approval of Capital Investment Plan	Details furnished by the petitioner is under scrutiny.
15	31.10.17	M/s KPUPL	KSEBL	Review Petition against order of Truing up 2009-10	Petitioner's request to withdraw the Review Petitions is put up before the Commission.
16	Do.	Do.	Do.	Review Petition against order of Truing up 2010-11	Do.
17	Do.	Do.	Do.	Review Petition against order of Truing up 2011-12	Do.
18.	Do.	Do.	Do.	Review Petition against order of Truing up 2012-13	Do.
19.	Do.	Do.	Do.	Review Petition against order of Truing up 2013-14	Do.
20.	Do.	Do.	Do.	Review Petition against order of Truing up 2014-15	Do.

21	03.11.17	M/s HPCL	KSEBL	Fixation of tariff for LPG Bottling plants.	Daily order issued on 28.3.18 and details called for from the petitioner is awaited.
22	14.11.17	Anakampoil Power Ltd	KSEBL	Approval of PPA.	Hearing scheduled to 10.04.2018
23	21.11.17	M/s BKPL	KSEBL	Extension of PPA	Order under preparation.
24	22.11.17	KSEBL		Approval of estimate rates for distribution works.	Details furnished by KSEBL is under scrutiny.
25	24.11.17	KSEBL		Fuel surcharge from July to September 2017	Hearing conducted. Addl. details were sought from KSEBL.
26.	05.12.17	KSEBL	M/sMaithon Power Ltd	Adjudication of dispute.	Hearing conducted. Allowed time to settle the issue mutually.
27	14.12.17.	KDHPCL	KSEBL	Truing up for 2016-17	Daily order issued. Further details were called for from the petitioner.
28.	15.12.17.	Cochin Port Trust	KSEBL	Truing up for 2016-17	Daily order issued. Further details were called for from the petitioner.
29	22.12.17	Mata Amritanda-mayi Math	KSEBL	Amendment of Solar Grid Interactive System.	Hearing conducted. Order under preparation.

30	03.01.18	Aymmed, Edakkad	KSEBL	Petition u/s 142 of E.A 2003	Under consideration of the Commission.
31.	09.01.18	Rubber Park India Ltd	KSEBL	Approval of Capital Investment Plan.	Addl. Details were called for from the petitioner.
32	11.01.18	President KSSIA, Ernakulam District.	KSEBL	Removal of difficulties in establishing wind & solar energy generation.	Under consideration of the Commission.
33.	08,02,18	M/s CSEZA	KSEBL	Truing up for 2016-17	Clarification was sought for from the petitioner.
34.	05.03.18	M/s TCED	KSEBL	Truing up for 2016-17	Petition is defective. Letter sent to cure the defects.
35	14.03.18	Secretary, KREEPA	KSEBL	Removal of difficulties for getting grid connectivity	Put up before the Commission ,along with petition under Sl.No.32 above, for consideration.
36	16.03.18	Rubber Park India Ltd.	KSEBL	Truing up for 2016-17	Petition under process.
37	27.03.18	Bro.Sebastian By Adv. MO Thomas	Power Grid Corporation	Petition for compensation	Petition under scrutiny.
38.	Do.	Abdul Jaleel By Adv. MO Thomas	Do.	Do.	Do.

39	Do.	Suhara Madapurath By Adv. MO Thomas	Do.	Do.	Do.
40	Do.	Abraham. By Adv. MO Thomas	Do.	Do.	Do.
41	Do.	M.N.Ayyappan By Adv. MO Thomas	Do.	Do.	Do.
42	Do.	K C Samira. By Adv. MO Thomas	Do.	Do.	Do.
43	Do.	Johnson George. By Adv. MO Thomas	Do.	Do.	Do.
44	Do.	C.G. Eliyas. By Adv. MO Thomas	Do.	Do.	Do.
45	Do.	Abdul Rahman By Adv. MO Thomas	Do.	Do.	Do.
46	Do.	Abdul Majeed. By Adv. MO Thomas	Do.	Do.	Do.
47	Do.	Shafeer S M. By Adv. MO Thomas	Do.	Do.	Do.
48	Do.	O.K. Shaji. By Adv. MO Thomas	Do.	Do.	Do.
49	Do.	K C Shafeeque. By Adv. MO Thomas	Do.	Do.	Do.

12. IMPORTANT ORDERS ISSUED BY THE COMMISSION

1. **Categorisation of the sterilization activity under LT IV (A) Industrial tariff for M/s Microtrol Sterilisation services Pvt Ltd. (O.A.No.01/2017).**

Order dated 11/04/2017

M/s. Microtrol Sterilisation Services Pvt Ltd, was initially billed under LT-IV (A) tariff and from May 2016 onwards the tariff was changed to LT-VII (A) by KSEB Ltd. Microtrol Sterilisation Services Pvt Ltd filed a petition which was admitted as O.A.No.01/17. The applicant submitted that rubber smoke house and cardamom drying units are categorized under LT IV (A) Industrial Tariff and the Rubber smoke house and cardamom drying merely extract moisture from rubber latex sheet/ cardamom. The process sterilisation is a more advance process that involves both removal of moisture as well as microbes whereby the end produce undergoes chemical change or transformation. Hence it is a manufacturing process and is entitled to LT IV (A) Industrial Tariff. KSEB Ltd submitted that Microtrol is engaged in the sterilization of "spices and medical devices" which does not involve manufacturing of any new product and hence LT VII (A) Commercial Tariff is assigned by KSEB Ltd.

The Commission considered the Hon'ble Supreme Court judgment dated 7-5-2015 in Civil Appeal No 583 of 2005 in Servo-Med Industries Private Limited v/s Commissioner of Central Excise, Mumbai where in it has identified categories to ascertain if any process of manufacturing is involved.

Commission decided that goods remain exactly the same, even after the sterilization process and obviously no manufacture is involved and thus ordered that the request of the petitioner to include the unit engaged in sterilization of species and medical equipments in IV(A) category of the tariff schedule cannot be granted.

2. **Order dated 17.04.2017 in File No. 1007/F&T/2016/KSERC, In the matter of Orders in the Suo motu proceedings for determination of tariff for electricity for the financial year 2017-18 applicable to the Strategic Business Units (generation, transmission and distribution) of KSEB Ltd and for other licensees**

KSERC vide the order dated 17.04.2017 has determined the ARR&ERC of the Strategic Business Units (SBU-G, SBU-T, SBU-D) of KSEB Ltd and schedule of tariff and terms and conditions for retail supply of electricity by KSEB Ltd and all other licensees with effect from 18-04-2017 to 31-03-2018.

3. Order dated 27.04.2017 in File No. 143/F&T/2017/KSERC, In the matter of purchase of power from the Rajiv Gandhi Combined Cycle Power Plant (RGCCPP) of National Thermal Power Corporation Limited (NTPC) at Kayamkulam.

The Chairman and Managing Director (CMD) of KSEB Ltd vide the letter dated 23.01.2017 has requested before the Commission to take an appropriate decision on the Power Purchase from RGCCPP Kayamkulam.

The Commission vide order dated 27.04.2017, ordered that;

- (i) KSEB Ltd to negotiate with NTPC Ltd and to work out minimum fixed charges payable for RGCCPP, considering the statutory provisions and the financial propriety in arriving at the charges.
- (ii) KSEB Ltd is directed to obtain 360 MW of cheaper power to bring the pooled cost of power to the range of Rs.2.50 to Rs.2.92 per unit.
- (iii) If the recommendations for minimizing the fixed cost of RGCCPP and for allotting 360 MW of cheaper power are not acceptable to NTPC Ltd, the scope for taking over the plant by paying its depreciated value shall be explored and reported.

4. Interim Order dated 27.04.2017 in Petition No. 03 / 2017, In the matter of petition submitted by Cochin International Airport Limited, seeking refund of the registration fee paid and execution of banking agreement for the solar PV plants owned by it and connected to the KSEB Ltd grid.

M/s Cochin International Airport Limited filed a petition before the Commission with the following prayers.

- (i) Issue appropriate instructions to the K S E B Ltd. to refund the registration fee of Rs 1.30 crore along with interest, to the petitioner, which they have paid to KSEB Ltd. for the 13 MW (1+12) solar plant constructed and operated by them at CIAL.
- (ii) Issue appropriate instructions to the K S E B Ltd. to execute a banking agreement wide section 15(2) of the KSERC (Renewable Energy) Regulations, 2015 with CIAL for 1 MWp and 12 MWp solar plants of CIAL.

The Commission vide Interim order dated 27.04.2017 ordered as follows:

- (i) KSEB Ltd shall refund 80% of the registration fee collected for the 1MWp and 12 MWp solar plant installed by CIAL, on or before 31.05.2017.
- (ii) CIAL shall pay to KSEB Ltd an amount of Rs.50000/- for the 12 MWp solar plant as connectivity fee. Since CIAL is consuming energy at the site of generation itself, it cannot be successfully contended that CIAL is availing open access for the use of solar energy generated by it. The regulation does not provide for realization of banking agreement execution fee as claimed by KSEB Ltd. Therefore the claims of KSEB Ltd for application fee of Rs.2000 for long term access and for banking agreement execution fee are declined.
- (iii) CIAL and KSEB Ltd shall enter into a connectivity agreement with necessary and sufficient conditions relating to the safety, standards and operation of the grid on or before 31.05.2017.
- (iv) CIAL and KSEB Ltd may discuss and decide the terms and conditions for the use of solar energy injected into the grid of KSEB Ltd in view of the said regulations and shall, on or before 31.05.2017, enter in to formal agreement, for availing the facility as per the provisions of the Renewable Energy Regulations, 2015.
- (v) M/s CIAL shall, (i) Install on or before 31.12.2017, the reactive power compensation devices in consultation with KSEB Ltd.
 - (ii) compensate KSEB Ltd for the reactive power drawn from the grid of KSEB Ltd at the rate of Rs.0.25 per kVARh till the reactive power compensation devices are installed.
 - (iii) provide on or before 31.12.2017, the necessary facility for SCADA visibility at SLDC Kalamassery, for the solar plants installed by them.
 - (iv) provide on or before 31.12.2017, the necessary protection device as per the relevant statute and regulations.

5. Order dated 27.04.2017 in File No. 590/DD(T)/BKPL-naphtha /2017/ KSERC, In the matter of application filed by M/s BSES Kerala Power Limited (BKPL) for the approval required for implementing the interim order dated 04.04.2017 of the Hon'ble High Court of Kerala in Writ Petition WP(C) No. 540/2017.

M/s BSES Kerala Power Limited (BKPL) vide application dated 18.04.2017, requested for granting approval for the implementation of the interim order of the Hon'ble High Court dated 04.04.2017 in Writ Petition No.WP(C) No. 540/2017 filed by BKPL.

The Commission vide order dated 27.04.2017 issued direction in accordance with the directions of the Hon'ble High Court in its order dated 04.04.2017, to the SLDC of KSEB Ltd for scheduling power and to Strategic Business Unit-Distribution of KSEB Ltd for purchasing the power generated on unscheduled interchange basis, from the 6500 MT of naphtha purchased and stored in the premises of BKPL and the 6000 kilo litre of naphtha purchased and stored by BKPL in the premises of IOCL. The order was issued for the purpose of implementing the interim order dated 04.04.2017 of Hon'ble High Court in Writ Petition No.540/2017.

6. Order on Remand as per the judgment dated 06.05.2016 of Hon'ble APTEL on appeal petition No. 135 of 2014 in the matter of Truing up of accounts for the year 2009-10 of KSEB Ltd

Order dated 09/05/2017

Commission vide its order dated 25-10-2012 in petition OP No. 27 of 2011 had approved the truing up of accounts of Kerala State Electricity Board for the year 2009-10, with a revenue gap of Rs 639.43 crore. Subsequently, KSEB filed a review petition against the order and the Commission, in the order dated 28-09-2013 in RP No. 1/2013 enhanced the revenue gap to Rs 739.14 crore by allowing the depreciation as per the CERC (Terms and Conditions of Tariff) Regulations, 2009. KSEB had filed an appeal petition before the Hon'ble Appellate Tribunal for Electricity against the order and the petition was admitted as Appeal Petition No.135 of 2013. The main issues raised in the appeal petition are (i) cost of power purchase, (ii) employee cost (iii) administration and general expenses and (iv) Return on equity.

Accordingly, the Commission, after considering the directions contained in the judgment of the Hon'ble APTEL dated 06.05.2016 in appeal petition No. 135 of 2014, the details submitted by KSEB Ltd in its remand petition, modified the order of the Commission dated 25.10.2012 in petition OP No. 27 of 2011 by approving a revenue gap of Rs 847.04 crore against the revenue gap of Rs 739.14 crore approved in order dated 25.10.2012 in OP No. 27 of 2011.

OA 6/2017

7. Truing up of accounts of M/s Cochin Port Trust for the year 2015-16

Order dated 09/05/2017

M/s Cochin Port Trust submitted application for truing up of accounts for the financial year 2015-16 which was admitted as OA No. 6/2017. In the application, the licensee claimed a revenue deficit of Rs.1144.31 lakh as against a revenue gap of Rs.24.00 lakh approved. The application was for first year of the control period ie., 2015-16. The Commission had approved the ARR&ERC for the CPT for the first control period from 2015-16 to 2017-18 as per the order dated 8-9-2015.

The hearing on the application was held on 04-04-2017. Significantly, the Commission did not allow the interest and finance charges for GOI loan since CPT has not yet paid any interest to GOI for the loan from GOI. The Commission also recalculated the depreciation of the licensee and accordingly arrived at a total expenditure of Rs. 2921.08 lakh, total revenue of Rs. 3268.79 lakh and a revenue surplus of Rs 347.70 lakh. The cumulative revenue surplus from 2004-05 to 2015-16 was determined as Rs.3765.12 Lakh.

8. Order dated 15.05.2017 in File No.355/D(T)/2017, In the matter of Fixation of wheeling charges, transmission charges, cross subsidy surcharges and additional surcharges for open access consumers of KINESCO Power and Utilities Pvt. Ltd.

M/s KINESCO Power and Utilities private Limited (KPUPL) filed a petition on 10.3.2017 before the Commission for determining wheeling charges, transmission charges, cross subsidy surcharges and additional surcharges leviable on the consumers of KPUPL who opt for open access. It was also requested to fix minimum monthly consumption charges also.

The Commission vide order dated 15.05.2017 ordered that all the issues raised by the petitioner is addressed in the order issued by the Commission on 17.4.2017 in suo motu proceedings for determination of tariff for Electricity for the financial year 2017-18 applicable to the Strategic Business Units (Generation, Transmission and Distribution) of KSEB Ltd and for other licensees.

OA 5/2017

9. Truing up of accounts of M/s Kanan Devan Hill Plantations Company Private Limited for the year 2015-16

Order dated 15/05/2017

Kanan Devan Hill Plantations Company Private Limited (KDHPCL) is the distribution licensee supplying electricity in and around Munnar. KDHPCL avails electricity from KSEB Ltd for the supply to its consumers and for its own consumption. KDHPCL filed the application for truing up of accounts for 2015-16 and the application was admitted as OA No.5/17. In the application, the licensee claimed a revenue surplus of Rs.43.66 lakh for the year 2015-16 as against a revenue surplus of Rs.76.40 lakh approved by the Commission in the order dated 07-09-2015 for the year 2015-16. Hearing was conducted on 05-04-2017. The Commission approved the total expenditure of Rs.2263.62 lakh and total revenue of Rs 2422.91 lakh with a revenue surplus of Rs.159.29 lakh. The cumulative revenue surplus till 2015-16 after truing up was determined at Rs.753.20 Lakh. However this amount was later revised based on the review petition filed by KDHPCL

10. Order dated 17.05.2017 in File No. 603/DD(T)/Infopark/2017/KSERC, In the matter of Reduction of contract demand at Infopark Cherthala - Approval of supplementary Power Purchase Agreement

M/s Infopark, vide letter dated 12.04.2017 requested before the Commission to approve the draft supplementary Power Purchase agreement initialed by Infopark and KSEB Ltd. for reducing the contract demand at Infopark, Cherthala from 750 kVA to 550 kVA w.e.f 1.12.2016 and for corresponding amendment to Clause 3.2 of the Power Purchase Agreement dated 01.07.2014.

The Commission vide order dated 17.05.2017 approved the draft supplementary PPA submitted by Infopark and initialed by both Infopark and KSEB Ltd for reduction of contract demand from 750 kVA at 110 kV to 550 kVA at 110kV. The draft supplementary PPA was approved without any modification.

11. Remand order on the matter of Truing up of accounts for the year 2010-11 as per the judgment dated 10.11.2014 on appeal No.01 of 2013 and 19 of 2013 of Hon'ble APTEL

Order dated 19-05-2017

KSEB Ltd on 5-8-2016 had filed this petition, seeking consequential orders in the matter of Truing up of accounts for the year 2010-11 in terms of findings of Hon'ble APTEL in the judgment dated 10.11.2014 on appeal petition No.01 of 2013 and 19 of 2013. The items remanded back to the Commission for re-consideration in view of the

judgment dated 10-11-2014 of the Hon'ble APTEL in appeal petition No. 1 of 2013 and 19 of 2013 and connected with the Truing up of 2010-11 of KSEB are (i) employee cost, (ii) depreciation (iii) Return on equity and (iv) Government subsidy.

The employee cost for the year 2010-11 was revised in view with the APTEL approving an employee cost of Rs.1535.91 crore as against Rs.1462.11 crore approved in the initial order on truing up. With regard to depreciation, the Commission approved Rs.286.33 crore for the year 2010-11 excluding the depreciation on assets created out of consumer contribution/grant of Rs.116.97 crore. In view of the direction of the Hon'ble APTEL the Commission allowed the RoE @15.50% on the equity of Rs 1553.00 crore, which amounts to Rs. 240.70 crore for the year 2010-11.

In the matter of Government subsidy, the Commission has examined the submission of KSEB Ltd and as per the details, out of the total demand of Rs 1363.44 crore from domestic consumers for the year 2010-11, Rs 37.52 crore only is accounted towards subsidy amount for exempting domestic consumers having monthly consumption up to 120 units from payment of fuel surcharges. Thus out of the Rs.54.16 crore subsidy received by the KSEB from Government, only Rs.37.52 crore was utilized as subsidy towards fuel surcharge applicable to domestic consumers having monthly consumption upto 120 units. Accordingly the Commission approved Rs.37.52 crore only towards subsidy for fuel surcharge and the balance amount was treated as additional income. Thus, the balance Rs 16.64 crore (Rs.54.16 crore- Rs.37.52 crore) is accounted as additional income received from the Government.

Accordingly the revenue gap approved for the year 2010-11 for the purpose of truing up is Rs 670.99 crore against the revenue gap of Rs 466.29 crore approved vide the initial order dated 30-10-2012.

12. Order dated 31.05.2017 in File No. 720/DD(T)/RPIL/2017/KSERC, In the matter of approval of PPA to be entered into by Rubber Park India (P) Limited with K.S.E.B.Ltd. for additional power of 1300 kVA at 110kV (over and above the contract demand of 6700 kVA).

The Managing Director, Rubber Park India (P) Limited (RPIPL) filed an application before the Commission vide letter dated 03.05.2017, seeking approval of the draft Power Purchase Agreement (PPA) to be entered into with K.S.E.B.Ltd., for additional power of 1300 kVA at 110kV (over and above the contract demand of 6700 kVA as per PPA dated 18-07-2016).

The Commission vide order dated 31.05.2017 approved the draft PPA submitted by the Petitioner M/s RPIPL, duly initialled by both the petitioner, M/s RPIPL and the respondent KSEB Ltd.

13. Order dated 02.06.2017 in O.P. No.2/2017, In the matter of Dispute with K S E B Ltd. relating to non-payment of invoice dated 29-07-2016 raised by the INDSIL (petitioner/Generator) for banked energy

M/s Indsil Hydro Power and Manganese Limited (INDSIL) filed a petition before the Commission on 29-12-2016, in the matter of dispute with K S E B Ltd relating to non-payment of invoice dated 29-07-2016 raised by the petitioner for banked energy.

The Commission vide order dated 02.06.2017 ordered as follows:

- (1) The net banked energy from the Kuthungal plant of the petitioner INDSIL as on 31.03.2016 of the accounting year 2015-16, shall be sold to KSEB Ltd @Rs 3.14/unit, the average pooled cost of power purchase of KSEB Ltd.
- (2) During the period from 01.04.2016 to 30.06.2016 of the accounting year 2015-16, total power consumption of the factories of the petitioner and their associates shall be settled against the electricity generated from Kuthungal plant and the power supplied from KSEB Ltd, as per the clause-13 of the agreement dated 30.12.1994.

OA 8/2017

14. Truing up of accounts of M/s Thrissur Corporation Electricity Department (TCED) for the year 2015-16

Order dated 02/06/2017

Thrissur Corporation Electricity Department filed application for truing up of accounts for the financial year 2015-16 which was admitted as OA 8/2017. In the application, the licensee claimed a revenue surplus of Rs.353.98 lakh for the year 2015-16 as against a revenue gap of Rs.131.21 lakh approved by the Commission for the year 2015-16 in the order dated 21-10-2015 issued for the entire control period. Hearing on the application was conducted on 11-04-2017. The Commission after prudence check arrived at a total expenditure of Rs. 10713.59 lakh, total revenue of Rs. 12057.86 lakh and a revenue surplus of Rs 1344.27 lakh. The cumulative revenue surplus till 2015-16 was determined as Rs.11312.48 Lakh.

OA 3/2017

15. In the matter of Truing up of accounts of M/s Kerala State Electricity Board Ltd for the year 2013-14

Order dated 20/06/2017

Kerala State Electricity Board Limited (KSEB Ltd) filed the application for approval of truing up of accounts for the year 2013-14 comprising of its predecessor in interest namely KSEB for the part of the year (1/4/2013 to 30-11-2013) and that of KSEB Ltd for balance period of 2013-14. The petition was admitted as OP No. 3/2017. The Commission in the order on ARR&ERC approved a revenue gap of Rs.1049.91 crore for the year 2013-14. In the application for truing up the licensee has claimed a revenue gap of Rs.1098.52 crore. Hearing on the petition was held on 15-03-2017 at Representatives of the KSEB Ltd, general public, Kerala HT-EHT Industrial Electricity Consumers' Association and other stakeholders participated in the hearing. Considering the judgments of the Hon'ble Supreme Court and Appellate Tribunal, the Commission decided to true up of accounts of 2013-14, duly complying with the directions in the judgment dated 10-11-2014 in appeal petition 1 of 2013 and 19 of 2013. Accordingly the Commission, after prudence check, approved a revenue gap of Rs.195.50 crore for the year 2013-14.

OA 9/2017

16. Order on revised ARR & ERC for the year 2017-18 filed by M/s Technopark

Order dated 22/06/2017

The Commission vide its order dated 11.04.2016 in OA 35/2015 had approved the ARR & ERC of M/s Technopark for the three years first control period (2015-16 to 2017-18). In the order, the Commission had approved a revenue surplus of Rs.318.60 lakh for 2017-18. As per the application filed for revising the ARR&ERC for 2017-18 as per the provisions of KSERC (Terms and Conditions for determination of Tariff) Regulations, 2014, the licensee has estimated a revenue gap of Rs.552.63 lakh.

The hearing on the application was held on 21-04-2017. After considering the revised power purchase cost, interest & finance charges and revenue from sale of power, the Commission approved a revised ARR of Rs.6230.37 lakh, revised ERC of Rs.6420.86 lakh with a revenue surplus of Rs.190.49 lakh.

17. Corrigenda dated 28.06.2017 to tariff order and the corresponding notification dated 17.04.2017 in file No. No.1007/F&T/KSERC/2017

In exercise of the powers conferred by Regulation 67 A of the Kerala State Electricity Regulatory Commission (Conduct of Business) Regulations, 2003, the KSERC vide Corrigenda dated 28.06.2017 published in Government of Kerala Gazette No.1466 dated 14.07.2017 made certain corrections in order No.1007/F&T/2016/KSERC dated 17.04.2017, in the

matter of suo motu proceedings for determination of tariff for electricity for the financial year 2017-18 applicable to the Strategic Business Units (Generation, Transmission and Distribution) of KSEB Ltd and for other licensees.

18. Order dated 30.06.2017 in File No. 186/DD(T)/Corridor/ 2017/KSERC, In the matter of Request for approval for incurring additional cost for the transmission corridor allocated on e-bid basis for drawing the power contracted under short-term basis.

KSEB Ltd, vide letter dated 30.1.2017, requested for approval for the action taken by KSEB Ltd in participating in the e-bid for allocation of transmission corridor and approve the additional rate of Rs.1.25/unit, over and above the rates approved by the Commission vide the order dated 19-12-2016, for the 85 MW of power at Kerala periphery from Jindal India Thermal Power Ltd for 0-6 hrs and 18-24 hrs during the month of March 2017.

The Commission vide order dated 30.06.2017 approved the action of the KSEB Ltd in participating in the e-bid for allocation of transmission corridor for availing short term open access and the additional rate of Rs.1.25/unit incurred over and above the rates approved by the Commission vide the order dated 19-12-2016 for the purchase of 85 MW of power from Jindal India Thermal Power Ltd through TATA power trading company ltd, for 0-6 hrs and 18-24 hrs during the month of March 2017. It was also directed that, KSEB Ltd shall, in future, get prior approval from the Commission for availing transmission corridor on short term open access through e-bid.

19. Order dated 03.07.2017 in File No. 655/DD(T)/KSIE/2017/KSERC, In the matter of (i) Grid Connectivity of 50 kWp Battery-less Roof Top SPV Power Plant for Trivandrum Air Cargo Terminal by Kerala State Industrial Enterprises Ltd (KSIE)-Exemption for re registration. (ii) Refund of registration fee remitted by Amal Jyothi College of Engineering for the Roof top Solar Photovoltaic Power Generating Plant.

Kerala State Industrial Enterprises Ltd. (KSIE), vide the letter dated 24.4.2017 requested that they be exempted from re-registering the SPV Power plant incurring Rs 50000/- again for grid connectivity.

Amal Jyothi College of Engineering, Kanjirappally (AJCE), also made a similar request vide the letter dated 11.5.2017 before the Commission to issue necessary direction to the KSEB Ltd to refund the registration fee of Rs.50000/- collected for the uninstalled 50 kWp.

The Commission vide order dated 03.07.2017 ordered as follows:

- (i) KSEB Ltd shall account the registration fee of Rs 50,000/- remitted by Kerala State Industrial Enterprises Ltd (KSIE), for installation of the 50kWp solar plant without insisting for re-registration of the solar plant and provide connectivity to the already installed 50 kWp solar plant.
- (ii) KSEB Ltd shall refund Rs 50,000/- to Amal Jyothi College of Engineering, Kanjirappaly, collected on 20.08.2015 towards the registration fee for the 50 kWp solar plant proposed during the year 2015-16, within one month from the date of order.

OA 14/2017

20. Truing up of accounts of M/s Cochin Special Economic Zone Authority (CSEZA) for the year 2015-16

Order dated 11/07/2017

Cochin Special Economic Zone Authority (CSEZA) submitted an application for truing up of accounts for the financial year 2015-16 on 06-02-2017 which was admitted as OA No.14/17. In the application, the licensee had arrived at a revenue gap of Rs.150.65 lakh for the year 2015-16 as against the revenue gap of Rs.157.47 lakh approved by the Commission in the order dated 09-09-2015. Hearing on the application for truing up of accounts was held at the Court Room, Office of the Commission on 30-05-2017. The Commission after considering the application, objections raised by KSEB Ltd and the clarifications received approved a total expenditure of Rs.3743.27 lakh and total revenue of Rs.3700.14 lakh with a revenue gap of Rs.43.23 lakh. The cumulative revenue surplus till 2015-16 was determined as Rs.1321.71 Lakh.

RP 4/2017

21. In the matter of the review petition filed by M/s Kochi Metro Rail Ltd on the order on the suo motu determination of tariff dated 17-04-2017

Order dated 12/07/2017

M/s Kochi Metro Rail Corporation Limited on 23-5-2017 filed a petition for review of the Order of the Commission on the suo-motu determination of tariff dated 17-4-2017. The Commission considered the petition and admitted the same on 2-6-2017 as RP No.4/2017.

The prayers of the petitioner were (i) to classify all connected loads of traction, metro stations, maintenance depot etc. of the Kochi Metro Rail Ltd under Extra High Tension – KMRL (110kV) tariff (ii) allow HT II General A or LT VI (B) tariff instead of LT - VI General (C) tariff for the corporate and administrative offices located separately and (iii) commercial loads which are likely to come up in metro stations like ATM, kiosks, stalls, hotels etc, are to be separately metered and charged under a tariff category to be decided by the Commission and the said consumption is to be deducted from the main energy consumption metered at KMRL point of supply. According to M/s KMRL, the metro system is unique and is different from Indian railway system. Unlike the Indian railway system, metro system is integrated with various subsystems such as signalling, stations, controls etc., which cannot be separated.

Hearing on the petition was held on 27-6-2017. Commission decided as follows:

- a. The traction supply is allowed to be extended to feed the auxiliary loads such as stations, train control, signalling, telecommunication, passenger information display, public address system, ticketing, air-conditioning for technical equipment rooms, passenger amenities and Safety services etc. at the stations. Accordingly there is no separate tariff for the metro stations of KMRL. The said traction tariff is also applicable to backup supply provided by KSEB Ltd.
- b. The Offices of the KMRL shall be charged under LT VI (B) /HT II (A) tariff.
- c. The commercial loads at the Stations of KMRL are to be metered at one point at each station by KSEB Ltd and the total energy consumption of such commercial loads shall be billed at the applicable energy charges of LT VII A tariff. The consumption of commercial loads is to be deducted from the total consumption recorded at KMRL point of supply at Muttom for billing the traction load. A single bill for the traction load is to be issued along with charges for commercial consumption as above.
- d. KMRL shall charge the commercial loads in the stations separately at the applicable LT VII A tariff for both fixed and energy charges.
- e. The words 'offices of KMRL including railway stations' under item (vi) of LT VI General (C) tariff in the schedule of Tariff and Terms and Conditions for Retail Supply of Electricity by KSEBL and other licensees with effect from 18-4-2017 was deleted.

OA 07/2017

22. Revision of ARR & ERC for the year 2017-18 of M/s KINESCO Power and Utilities Private Limited (KPUPL)

Order dated 12/07/2017

KINESCO Power and Utilities Private Limited was a joint venture company established by M/s Kerala Industrial Infrastructure Development Corporation (KINFRA), M/s KINFRA Export Promotion Industrial Parks Limited (KEPIP) and M/s NTPC Electric Supply Company Limited (NESCL)

Subsequently, Government of Kerala, vide GO (Rt) No.756/2014/ID dated 07-07-2014 allowed KINFRA to withdraw from the joint venture agreement entered into among KINFRA, KEPIP & NESCL and to enter into a termination agreement from the Joint Venture agreement with NESCL. A termination agreement was signed on 15.12.2015 among KINFRA, KEPIP & NESCL. Joint Venture has since been terminated and the company is now fully owned by KINFRA. NESCL has handed over the operation of the licensed distribution activities to KINFRA with effect from 01.01.2016

The Commission on 16-12-2015 had issued order in OA 26/2015 finalizing the ARR & ERC for the first control period (2015-16 to 2017-18). As per the application for revised ARR submitted to the Commission, the licensee projected a revenue gap of Rs.246.53 lakh as against a revenue surplus of Rs.221.48 lakh approved by the Commission in the order dated 16-12-2015. Hearing on the application was held 10-05-2017. The Commission after revising the power purchase cost, interest & finance charges and revenue from sale of power, approved an ARR of Rs.6909.45 lakh, ERC of Rs.7362.00 lakh approving a revenue surplus of Rs.452.55 lakh.

OA 10/2017

23. Application for the approval of revised ARR & ERC for the year 2017-18 filed by M/s Rubber Park India Private Limited (RPIL)

Order dated 13/07/2017

Rubber Park India Private Limited, a joint venture company of the Rubber Board and M/s Kerala Industrial Infrastructure Development Corporation (KINFRA), is a distribution licensee in the State under the Electricity Act, 2003. The Licensee receives electricity at 110 kV from the Kerala State Electricity Board Ltd and distributes to the Industrial units within the licence area ie., the industrial park at Valayanchirangara near Perumbavoor in Ernakulam District.

In the application for the revision of ARR, the licensee has projected a revenue gap of Rs.360.58 lakh as against a revenue gap of Rs.97.65 lakh approved by the Commission vide order dated 03-09-2015. Hearing on the application was held on 16-05-2017. The Commission after proper prudence check revised the interest & finance charges and

revenue from sale of power and accordingly approved an ARR of Rs.1677.39 lakh, ERC of Rs.1693.39 lakh with a revenue surplus of Rs.16.00 lakh.

24. Order dated 26.07.2017 in Petition No. RP. No.01/2017, In the matter of Review Petition filed by HT&EHT Association in the order dated 17.04.2017 on determination of open access charges for embedded open access consumers.

The Kerala High Tension and Extra High Tension Industrial Electricity Consumers' Association (HT & EHT association), on 21.04.2017, filed a petition for reviewing the order dated 17.04.2017 in the suo-motu proceedings on determination of tariff, regarding determination of open access charges for embedded open access consumers. The issues raised by the petitioner in the review petition are the following.

- (i) The cost of own generation may be excluded while computing 'C' in the surcharge formula.
- (ii) Reduce the demand charge component from Cross Subsidy Surcharge for Embedded open access consumers.
- (iii) Allow power factor incentive to the power sources through open access route and allow power factor incentive on cross subsidy surcharge collected from open access consumers.
- (iv) Implement the new open access charges from 20.04.2017 only.

The Commission vide order dated 26.07.2017 ordered as follows:

- (i) As per the tariff order dated 17.04.2017, the Commission determined the ARR of the SBU-G of KSEB Ltd separately. The cost of power purchase of SBU-D of KSEB Ltd includes the cost of power generation of SBU-G of KSEB Ltd. Thus, while computing the 'C' the per unit cost of power purchase of SBU-D of KSEB Ltd, the cost of generation of SBU-G of KSEB Ltd, too has to be considered.
- (ii) If the methodology suggested by the petitioner is adopted, the cross subsidy surcharge payable by the highly subsidising commercial consumers including EHT3, EHT-G, HT-II A, HT-IV and HT-V will get revised to zero. This is against the spirit of the provisions of the Electricity Act, 2003. The second issue raised by the petitioner is decided accordingly.
- (iii) As per the Regulation 31 of the Kerala Electricity Supply Code, 2014, the energy charge is one of the components of electricity charges. Further, as per the prevailing orders of the Commission, the power factor incentive/ penalty

are imposed only on energy charges, and it cannot be provided on other component of 'charges' as per the prevailing orders and regulations issued by this Commission. Hence, the decision of the Hon'ble APTEL in judgment dated 14.11.2013 in appeal No. 231 of 2012, is not applicable here. The third issue raised by the petitioner is decided accordingly.

- (iv) The fourth issue raised by the petitioner to revise the open access charges with effect from 20.04.2017 only. The Commission had approved the tariff order for the year 2017-18 on 17.04.2017, and ordered that the revised tariff is applicable, prospectively from 18.04.2017. KSEB Ltd and other licensees has been levying electricity tariff and other charges as per the tariff order dated 17.04.2017 with effect from 18.04.2017. The Commission cannot change the applicability of the revised tariff approved vide the order dated 17.04.2017.

OA 11/2017

25. Truing up of accounts of M/s Rubber Park India Private Limited (RPIL) for the year 2015-16

Order dated 26/07/2017

M/s.Rubber Park India (P) Limited filed the application for truing up of accounts for the year 2015-16 which was admitted as OA 11/2017. In the application for the truing up of accounts for 2015-16, the licensee has claimed a revenue gap of Rs.146.41 lakh against a revenue gap of Rs.105.42 lakh approved by the Commission vide order dated 03-09-2015. Hearing on the application was held on 16-05-2017.The Commission after considering the application, objections raised and the clarifications received, approved the total expenditure of Rs.1612.04 lakh and total revenue of Rs. 1657.82 lakh with a revenue surplus of Rs.45.78 lakh. The cumulative revenue surplus till 2015-16 was approved as Rs. 43.22 lakh.

OA 12/2017

26. Application for Revision of ARR & ERC for the year 2017-18 filed by M/s Infoparks, Kerala

Order dated 26/07/2017

M/s. Infoparks, Kerala, Kochi a Government of Kerala undertaking, engaged in the development of infrastructure for information technology (IT) and information technology enabled services (IT enabled Services) was granted distribution licence vide order dated

10-5-2010 of the Commission and the electricity distribution operations commenced on 1-7-2013. The Infopark Phase II campus at Kochi was included in the distribution licence area vide order dated 18-10-2011.

The application for approval of revised ARR and ERC for the year 2017-18 submitted by the licensee was considered by the Commission and was admitted as OA No. 12/17. As per the application submitted to the Commission for revised ARR, the licensee projected a revenue gap of Rs.433.44 lakh as against a revenue gap of Rs.89.66 lakh approved by the Commission in the order dated 11-11-2015. Hearing was held on 31-05-2017. The Commission revised the power purchase cost and the revenue from sale of power considering the expected reduction in the sale of power and approved an ARR of Rs.702.93 lakh, ERC of Rs.646.59 lakh with a revenue gap of Rs.56.34 lakh.

27. Approval of formats as per Supply code in respect of RPIL

KSERC vide letter dated 17.08.2017 in File No: 1110 /DD(T)/ RPIL/ 2017 approved formats for Rubber Park India [P] limited(RPIPL) which are applicable as per Kerala Electricity Supply Code, 2014.

RP 2/2017

28. Review of the Order on Truing up of Accounts of KSEB for the year 2011-12

Order dated 07/09/2017

Kerala State Electricity Board Limited filed a petition on 15-5-2017 for review of the order dated 16-3-2017 on the truing up of accounts of the KSEB for the year 2011-12. A petition for condonation of delay was also filed. After considering the petition for condonation of delay, the Commission decided to condone the delay and admit the petition as RP No.2/2017. The hearing on the petition was held on 18-7-2017. During the hearing representatives from general public, KSEB and Kerala HT-EHT Industrial Electricity Consumers Association were present.

The Commission noted that most of the issues raised in the petition were addressed in the original proceedings itself and KSEB Ltd had raised many issues which were already settled by the APTEL or which are outside the legal provisions.

One issue raised in the review petition was the disallowance of interest and financing charges to the tune of Rs.92.54 crore. Out of this an amount of Rs.4.96 crore is on account of the audit observation on the overstatement of interest charges under R-APDRP. The Commission in the truing up of accounts for the year 2012-13, had taken into consideration the entire prior period income for the year 2012-13, which included this

Rs.4.96 crore of 2011-12, thereby in effect causing disallowance twice. The Commission rectified the same and the said amount of Rs.4.96 crore was allowed.

Regarding interest on security deposits, interest on overdrafts, higher return on equity, employee cost for the entire employees, disallowance of R&M expense, A&G expenses and depreciation for assets created out of consumer contribution, Commission viewed that there is no scope for review, as no sufficient grounds were placed by the petitioner in the petition for review.

Accordingly the Commission ordered that, except for the interest and financing charges of Rs.4.96 crore allowed as part of review there was no scope for review for other items. Thus the revenue gap approved for the year was determined as Rs.1391.93 crore.

RP No.3/2017

29. Review of the Order on Truing up of Accounts of KSEB for the year 2012-13

Order dated 07/09/2017

Kerala State Electricity Board Limited filed a petition on 15-5-2017 for review of the order dated 20-3-2017 on the truing up of accounts of the KSEB for the year 2012-13. A petition for condonation of delay was also filed. After considering the petition for condonation of delay, the Commission decided to condone the delay and admit the petition as RP No.3/2017. The hearing on the petition was held on 18-7-2017. During the hearing the representatives of general public, KSEB and Kerala HT-EHT Industrial Electricity Consumers Association were present.

In the petition, KSEB Ltd claimed that the Commission has not approved the entire expenses as per the audited accounts and in certain instances had made factual errors in assessment while approving certain components. KSEB Ltd had sought review on the disallowed interest and financing charges, depreciation on account of OYEC charges, disallowed amount on the withdrawal of credits to the revenue account on account of SREB charges and M/s Steel complex and O&M expenses disallowed which does not consider business growth of the utility. Commission after considering the points raised by KSEB Ltd decided that there was no sufficient grounds placed by the petitioner for a review of the Order dated 20-3-2017 on the truing up of accounts of the Kerala State Electricity Board for 2012-13, under Section 94(1)(f) Electricity Act 2003.

RP No.5/2017

30. Review petition filed by Kerala State Electricity Board Ltd against the order dated 09-05-2017 in terms of order dated 06-05-2016 on Appeal No.135 of 2014 of APTEL

Order dated 25/9/2017

KSEB filed a review petition dated 22-06-2017 on the order of the Commission dated 09-05-2017, on the remand order of Hon'ble APTEL in appeal No 135/2014 relating to the truing up of accounts of KSEB for the financial year 2009-10. Hearing was held on 18-07-2017. Officers of KSEB Ltd presented the petition before the Commission and responded to the queries of the Commission.

The main issue raised in the petition was on the disallowance of power purchase cost of Rs.174.24 crore. The Commission sought the details on the split up and bill wise details of power purchase cost outstanding at the end of 2008-09 and 2009-10. KSEB Ltd submitted only the details of the outstanding balance from various sources at the end of 2007-08 to 2010-11. Accordingly the Commission could not examine in detail the arguments furnished by KSEB Ltd in the review petition.

Accordingly after analysis of all the points raised by KSEB Ltd as well as the objectors and in the absence of required details, the Commission decided that there are no sufficient grounds placed by the petitioner for a review of the Order dated 09-05-2017 on the truing up of accounts of the Kerala State Electricity Board for 2009-10, under Section 94(1)(f) of Electricity Act 2003.

RP 6/2017

- 31. Review petition filed by M/s Kanan Devan Hill Plantations Company Private Limited (KDHPCL) seeking review and modification on the order dated 15-05-2017 in OA 5/2017 on Truing up of Accounts for financial year 2015-16**

Order dated 26/09/2017

Kanan Devan Hill Plantations Company Private Limited (KDHPCL) on 31-05-2017 filed petition seeking review and modification of the order dated 15-05-2017 in OA 5/2017 on the Truing up of Accounts for financial year 2015-16 as per the Regulation 67 of the KSERC (Conduct of Business) Regulations 2003. The review petition was admitted as RP 6/2017. Hearing on the review petition was conducted on 08-08-2017. KDHPCL in the review petition prayed to amend the trued up power purchase cost for the year 2013-14 in the order dated 2/12/2015 in OA No.1/2015 and 2014-15 in the order dated 21/6/2016 in OA No.2/2016 and consequently to rework the revenue surplus. KDHPCL further prayed not to levy notional interest on the accumulated revenue surplus.

The licensee stated that some of the errors in the truing up orders were pointed out in their letters addressed to the Commission dated 05-12-2015 and 28-06-2016. The Commission considered the same and revised the power purchase cost. Accordingly the

accumulated surplus approved by the Commission at the end of 2014-15 amounting to Rs.593.91 lakh was revised to Rs.541.52 lakh.

In the order on the truing up of accounts for the year 2015-16, the Commission had stated that KDHPCL had an accumulated surplus of Rs.593.91 lakh at the end of 2014-15. The Commission in the order approved a notional interest of Rs.53.45 lakh at the rate of 9% on the accumulated surplus considering the base rate of SBI. The licensee in the review petition has submitted that the notional interest shall not be imposed on the accumulated surplus of Rs.622.43 lakh till 2009-10, in view of the Civil appeals No.2144/2011 and 5122/2012 pending before the Hon'ble Supreme Court of India. However the Commission noted that since the Hon. Supreme Court of India has not yet issued a verdict on the matter nor had stayed the order issued by the Commission, the accumulated surplus of Rs.622.43 lakh till 2009-10 is to be considered in the truing up process.

The licensee further submitted that Rs.93.62 lakh was the net requirement of funds for operation or the working capital and requested the Commission to reduce the same from the accumulated surplus of the licensee. The Commission viewed that interest on working capital can be allowed as per Regulation 33 of Tariff Regulations 2014. Accordingly the Commission approved an amount of Rs.5.10 lakh as interest on working capital for the year 2015-16 thus revising the accumulated surplus till 2015-16 as Rs.691 lakh.

OA 13/2017

32. Truing up of accounts of M/s Infopark, for the year 2015-16

Order dated 10/10/2017

M/s Infopark Kochi submitted the application for truing up of accounts for the year 2015-16. The Commission considered the application submitted by the licensee and admitted it as OA No. 13/17. The Commission on 11-11-2015 had issued an order vide OA 07/2015 on the application for ARR & ERC for the first control period (2015-16 to 2017-18). In the application for the truing up of accounts for 2015-16, the licensee reported a revenue gap of Rs.157.47 lakh against a revenue gap of Rs.98.75 lakh approved by the Commission vide order dated 11-11-2015. Hearing on the application was conducted on 31-05-2017. The Commission approved a total expenditure of Rs.392.33 lakh and total revenue of Rs.344.90 lakh with a revenue gap of Rs.47.43 lakh. The cumulative revenue gap till 2015-16 was determined at Rs. 81.89 lakh.

33. Cost estimates for giving service during festive season at Sabarimala

KSERC vide letter dated 02.11.2017 in File No. 1520/ DD(T)/ Sabarimala/ 2017 approved the cost for providing service connection to the installations and applicable tariff for street lighting at Sabarimala during Mandala - Makaravilakku festival for 2017-18.

Cost approved for providing service connection at Sabarimala during festival season 2017-18 is as follows:

Cost of providing service connection at Sabarimala for 2017-18			
SI No.	Description of the work	Proposed rate for 2017-18 (Rs)	Approved rate for 2017-18 (Rs)
1	LT single phase weather proof service connection upto and including 5kW	4000	3550.00
2	LT three phase weather proof service connection up to and including 10 KW	6950	6150.00
3	LT three phase weather proof service connection above 10kW upto and including 25kW	17950	15650.00
4	LT three phase weather proof service connection above 25kW & below 50kVA	25600	22300.00
5	LT three phase weather proof service connection from 50kVA and above upto and including 100kVA.	28050	24400.00
6	Providing support pole for weather proof service connection.	10300	8650.00

The tariff approved for different types of street lights for public lighting at Sabarimala during festival season 2017-18 is as follows:

Approved Tariff for street lights at Sabarimala during Mandala Makaravilakku Festival during 2017-18 (LTVIII(A)-Composite tariff for unmetered street lights)			
SI No	Type of Lamp	Rs/Lamp/month Burning Hours per day 12 Hours	Rs/Lamp/month Burning Hours per day 14 Hours
1	Fluorescent lamp 2 X 40 W	134	156
2	Sodium Vapour 250 W	447	522
3	Halogen Lamp 400 W	714	833
4	CFL 11W	16	19
5	CFL 15W	22	26
6	CFL 18W	26	30
7	CFL 22W	32	37
8	CFL 30W	44	51
9	CFL 36W	53	62
10	CFL 44W	64	75

11	CFL 72W	105	123
12	CFL 144W	210	245
13	LED 12W	9	11
14	LED 18W	14	16
15	LED 20W	15	18
16	LED 24W	20	23
17	LED 30W	25	29
18	LED 40W	30	35
19	LED 45W	35	41

34. Order dated 13.11.2017 in Petition No. RP 7/2017, In the matter of Review petition against KSERC order No: 1007/F&T/2016/KSERC dated 17th April 2017 in the suo motu proceedings for determination of tariff for electricity for the financial year 2017-18.

Kerala State Electricity Board Ltd. (KSEB Ltd), filed a review petition vide petition dated 28.06.2017 against the order dated 17th April 2017 "in the matter of suo motu proceedings for determination of tariff for electricity for the financial year 2017-18 applicable to the strategic business units (Generation, Transmission and Distribution) of KSEB Ltd and for other licensees".

The issues raised by the KSEB Ltd in the petition are:

- (i) Cost of power purchase K S E B Ltd. requested to approve cost incurred for purchase of power from RGCCPP Kayamkulam, Kasargod solar park, Purchase of REC amounting to Rs 15.00 crore and Purchase under DBFOO basis also.
- (ii) Review of O&M expenses & Return on equity.
- (iii) Inclusion of the Interest on long term loans and Interest on overdraft / carrying cost on revenue gap.
- (iv) To allow Depreciation on fixed assets added during the period from 2014-15 to 2016-17.
- (v) Cross subsidy surcharge -KSEB Ltd has requested to rectify the error occurred in the 'Surcharge formula' by taking twice the 'intra-state transmission charges'. It also requested to reconsider the decision of the Commission to exclude the demand charge from the tariff 'T' in the surcharge formula, while computing the cross subsidy surcharge (CSS) for embedded open access consumers.
- (vi) Additional surcharge - KSEB Ltd requested the Commission to repeal Regulation 41 of the KSERC (Connectivity and Intra-state Open Access) Regulations 2013, and allow to calculate the additional surcharge on yearly basis.

- (vii) Power factor incentive - KSEB Ltd requested to retain the PF incentive @ 0.25% of the energy charge and to raise the PF level from 0.90 to 0.95 for providing incentive.

The Commission vide order dated 13.11.2017 declined the request of the petitioner except on cross subsidy surcharge. The Commission modified the cross subsidy surcharge approved under Table 14.57 and 14.58 of the tariff order dated 17.04.2017.

35. Order dated 13.11.2017 in Petition No. OP 7/2017, In the matter of the requirement of 150 kVA, contract demand at 415 voltage, by paying low voltage supply surcharge.

Shri. Usman, M/s National Plywood Industries (petitioner), a consumer in the licensed area of M/s Rubber Park India (P) Ltd.(RPIPL), filed a petition before the Commission on 19.06.2017, with the prayer to permit the consumer to operate up to 150 kVA in LT by paying low voltage supply surcharge.

The Commission vide order dated 13.11.2017 ordered the petitioner to reduce the contract demand from the present level of 148 kVA to 100kVA or below for availing supply at LT, otherwise, if the petitioner wants to continue the contract demand at 148 kVA, he has to avail supply at HT as per the provisions of the Supply Code, 2014.

36. Approval of formats as per Supply code in respect of TCED

KSERC vide letter dated 12.12.2017 (in File No: 2057/DD(T)/TCED/ 2017/ KSERC) approved formats as per Kerala Electricity Supply Code, 2014 for Thrissur Corporation Electricity Department(TCED).

RP 9/2017

37. Review petition filed by M/s Rubber Park India Private Limited against the order of the Commission dated 26-07-2017 in OA 11/2017 on the truing up of accounts for the financial year 2015-16

Order dated 13.12.2017

The Commission on 26-07-2017 in OA 11/2017 issued order on the Truing Up of accounts of the licensee for the year 2015-16 and approved a revenue surplus of Rs 45.78 lakh against revenue gap of Rs 146.41 lakh claimed by the licensee. The licensee on 31-08-2017 filed review petition seeking review on the interest on normative loan, RoE and O&M expenses which comprises of Employee expenses, R&M Expenses and A&G expenses and prayed to review the order on the truing up of accounts for the year 2015-16 considering the matters as detailed in the petition.

After examining the matter in detail, the Commission decided that there are no grounds made out by the licensee for review of the order of the Commission as per the existing rules and regulations except the one time repair and maintenance expenditures incurred by the licensee towards the Relay testing and OLTC overhauling expenditures totaling to Rs. 2.83 lakh. Accordingly the total approved expenditure for 2015-16 after truing up was revised to Rs.1614.87 lakh and the revenue surplus revised to Rs.42.95 lakh. The accumulated surplus after truing up till the year 2015-16 was revised as Rs. 40.39 lakh.

OA 15/2017

38. Truing up of accounts of M/s Technopark for the year 2014-15

Order dated 18/12/2017

M/s Technopark, Thiruvananthapuram filed an application for truing up of accounts for the year 2014-15 on 15-04-2017. The Commission had issued the order dated 28-08-2014 in OP No. 11/2014 approving the ARR and ERC for the financial year 2014-15. In the application for truing up, the revenue gap claimed for the year 2014-15 was Rs.348.05 as against the revenue gap of Rs.673.55 lakh approved by the Commission in the order dated 28-08-2014. The hearing on the application was held on 26-09-2017. The Commission, after considering the application approved a total expenditure of Rs. 4632.59 lakh, total revenue of Rs 4698.64 lakh and a revenue surplus of Rs 66.05 lakh. The total accumulated surplus approved after the truing up of accounts for the year 2014-15 was determined as Rs 491.58 lakh.

39. Order dated 19.12.2017 in the matter of 'Kerala State Electricity Regulatory Commission (Principles for determination of roadmap for cross-subsidy reduction for Distribution Licensees) Regulations, 2012'

By invoking the powers of the Commission under Regulation 3(2) of the 'Cross subsidy reduction road map Regulations 2012' along with the powers conferred by sub-section (1) Section 181 and clause (j) and (zc) of sub-section (2) of Section 181 of the Electricity Act, 2003 (Central Act 36 of 2003), and also duly considering the various facts and circumstances prevailing in the State, the Commission ordered to extend the validity of the 'Kerala State Electricity Regulatory Commission (Principles for determination of roadmap for cross-subsidy reduction for Distribution Licensees) Regulations, 2012' for a further period of forty eight (48) months from 20.11.2017.

40. Order dated 19.12.2017 in Petition No. OP 5/2017, In the matter of Application of obtaining Single Point Power Supply user status and for determining Tariff as per Kerala Electricity Supply Code, 2014 to M/s MPG Hotels & Infrastructure Ventures Pvt. Ltd. (Muthoot), CSEZ-reg.

Cochin Special Economic Zone Authority (CSEZA) filed an application on 16.12.2016 for obtaining single point supply user status and for determining Tariff as per Kerala Electricity Supply Code, 2014 to M/s.MPG Hotels & Infrastructure Ventures Pvt. Ltd. (Muthoot). Thereafter, CSEZA informed that, during the pendency of its application at the KSERC, the CGRF of CSEZA, vide its order dated 04.08.2017, directed the licensee and Muthoot to provide direct power supply connection to beneficiaries within the premises constructed by M/s Muthoot. M/s CSEZA, in its letter dated 10th August 2017, requested the Commission to keep the application for single point power supply in abeyance for some time so that measures for compliance of the CGRF order can be initiated by M/s Muthoot.

The Commission vide order dated 19.12.2017 ordered as follows:

- (1) The licensee shall ensure that no illegal activity / misuse of electricity is happening in the consumer premises. If any misuse of electricity is detected action as per the relevant section of Electricity Act 2003 should be taken.
- (2) The licensee may approach the Commission for approval of tariff for single point supply with proper tariff proposal after the infrastructure in the premises is made suitable for availing single point supply.

41. Order dated 21.12.2017 in Petition No. OP 6/2017, In the matter of the application submitted by M/s Lulu Cyber Park, Kakkanad for single point supply and sharing of Electricity charges under sub regulation (2) of Regulation 56 (2) of Kerala Electricity supply Code 2014

M/s KINESCO Power and Utilities Private Limited (KPUPL) filed a petition on 09.05.2017 based on the application submitted by M/s Lulu Cyber Park, Kakkanad, an HT consumer (LULU), for single point supply and sharing of Electricity charges under Regulation 56, sub regulation 2 of Kerala Electricity Supply code 2014.

Since the licensee has not submitted the details required for determination of tariff of single point supply, the Commission vide order dated 21.12.2017 ordered as follows:

- (1) The licensee shall ensure that no illegal activity / misuse of electricity is happening in the consumer premises. If any misuse of electricity is detected action as per the relevant section of Electricity Act 2003 should be taken.

- (2) The licensee may approach the Commission for approval of tariff for single point supply with proper tariff proposal after the infrastructure in the premises is made suitable for availing single point supply.

42. Order dated 22.12.2017 in File No. 1333/DD(T)/Solar/2017/KSERC, In the matter of Request to extend the expiry period for setting up of 200kW Solar Plant by KC Centre, Karunagappally - Exemption for re registration.

The Managing director, KC Centre, Karunagappally (solar developer or complainant) vide letter dated 10.08.2017 requested to extend the expiry period for setting up a Solar Plant.

The Commission vide order dated 22.12.2017 ordered that KSEB Ltd shall extend the validity of the registration of KC Centre, which they have obtained for installation of the 200kWp solar plant without insisting for re-registration and extend the expiry period for setting up of the proposed solar plant completely upto 31.3.2018, or a new applicant comes in for the capacity registered by K C Centre, whichever happens earlier.

RP No.8/2017

43. Review petition filed against the Order dated 20-06-2017 on Truing up of Accounts of KSEB Ltd for the year 2013-14

Order dated 01/01/2018

Kerala State Electricity Board Limited (KSEB Ltd) on 3-8-2017 filed a petition for review of the order dated 20-6-2017 on the truing up of accounts of the KSEB Ltd for the year 2013-14. In the said petition the petitioner stated that while approving the truing up of accounts for 2013-14, the Commission made factual errors in assessment on many items and hence the review sought. The Commission admitted the petition as RP No.8/2017. The hearing on the petition was held on 12-12-2017. After analysis of all the points raised by KSEB Ltd as well as the objectors, the Commission viewed that there are no sufficient grounds placed by the petitioner for a review of the Order dated 20-6-2017 on the truing up of accounts of the Kerala State Electricity Board for 2013-14, under Section 94(1)(f) Electricity Act 2003.

44. Interim Order dated 29.12.2017 in Petition No. OP 8/2017, In the matter of Petition filed by INOX Renewables Limited for approval of Power Purchase Agreement (PPA) for 16 MW wind power project established at KINFRA Textile Park, Palakkad- reg.

M/s INOX Renewables Limited (INOX or the petitioner) filed a petition on 12.07.2017 before the Commission with the following prayer.

"Approve the draft power purchase agreement and direct the Respondent (KSEBL) herein to execute the same with the Petitioner herein at the provisional tariff of Rs. 5.98 /Kwh applicable from the date of commissioning of the 8 no of WTGs commissioned by petitioner on 28.03.17, as determined by this Hon'ble Commission for financial year 2015-16 subject to adjustments subsequently as and when the preferential tariff for financial year 2016-17 is determined by this Hon'ble Commission for wind energy projects as applicable in the case of Petitioner herein."

The Commission vide order dated 29.12.2017 ordered as follows:

- (i) It is decided to determine the project specific tariff for the 16 MW wind plant established by M/s INOX Renewables Ltd, at Kanjikode, Palakkad.
- (ii) M/s INOX shall submit the necessary details for determining the project specific tariff including the Capital cost, loans availed, and all other relevant details of the project with documentary evidence.
- (iii) KSEB Ltd shall pay to INOX, an interim tariff at the rate of Rs.3.90 per unit for the energy injected by INOX from the date of commercial operation of the project till such time a final tariff is determined by the Commission.

45. Order dated 24.01.2018 in Petition No. OA 16/2017, In the matter of Petition to recover the additional cost incurred during the period from April 2017 to June 2017 over approved level on Generation and Power Purchase due to variation in cost of fuel, from all consumers including Bulk Consumers and other Licensees through fuel surcharge.

Kerala State Electricity Board Limited (KSEB Ltd), (petitioner) filed a petition for approval of fuel surcharge for from April to June 2017 vide letter dated 18.08.2017, with the following prayers:

- (i) The additional financial liability incurred by KSEBL amounting to Rs.74.60 crores due to the variation in power purchase cost resulting from the variation in cost of fuel for the period from April to June 2017 for the procurement/generation of electricity from various thermal sources may kindly be approved.
- (ii) The approved additional cost may be allowed to be recovered from consumers including bulk consumers and other licensees as fuel surcharge, as per the Regulation 88 of KSERC Tariff Regulations, 2014 with immediate effect.

The Commission vide order dated 24.01.2018 approved an amount of Rs 64.78 crore as fuel surcharge for the first quarter of the financial year 2017-18 from 1st April-2017 to 30th June 2017 and ordered to defer the recovery of the approved amount of Rs 64.78 crore from consumers till further orders.

46. Order dated 01.02.2018 in OP No. 11/2017, In the matter of Approval of capital investment under Regulation 72 of the KSERC (Terms and Conditions for determination of tariff) Regulations, 2014 for the proposed 110 kV Substation of Thrissur Corporation Electricity Department (TCED)

Thrissur Corporation Electricity Department (TCED or the Petitioner) proposed to construct 110 kV substation at Kottappuram, Thrissur, and sought investment approval for the construction of the substation.

The Commission vide order dated 01.02.2018 ordered as follows.

- (i) There is no immediate requirement for the construction of a second 110 kV s/s within the distribution area of TCED at Kottappuram, extending 110kV supply from the existing substation.
- (ii) KSEB Ltd as the State Transmission Utility (STU) of the State has the responsibility to provide alternate feeding arrangements to M/s TCED in line with the increase in electricity demand of the distribution area of TCED.
- (iii) KSEB Ltd and TCED may discuss and finalise the alternate cost effective proposals submitted by KSEB Ltd to cater the additional load requirement up 18 MVA at the western side of the distribution area of TCED.

47. Interim Order dated 14.02.2018 in Petition No. OP 9/2017, In the matter of Petition for approval of Power Sale Agreement for 50MW Solar PV Project at Kasargod Solar Park developed by IREDA

M/s IREDA filed a petition on 16.06.2017, for the approval of Power Sale Agreement for 50 MW Solar PV project at Kasargode Solar Park, Kerala with KSEB Ltd. Out of the 50MW, 36 MW was commissioned on 31.03.2017. The balance capacity was commissioned during September 2017.

The Commission vide daily order dated 14.02.2018 decided to approve an interim tariff at the rate of Rs 3.90 per unit for the energy supplied by IREDA to KSEB Ltd, for making interim payments to the electricity generated and supplied from date of synchronization of the 1st unit.

48. Order dated 06.03.2018 in Petition No. OP 10/2017, In the matter of Petition filed by Kochi Municipal Corporation for determination of Tariff for Sale of Power to KSEB Ltd. from the 10 MW MSW based Waste to Energy (WtE) Plant located at Brahmapuram, Cochin

The Kochi Municipal Corporation, on 20.01.2017, filed the petition for determining the tariff for electricity generated from the 'waste to energy project' at Brahmapuram, with the following prayers.

- "(i) Take the accompanying Tariff petition of Kochi Municipal Corporation on record and treat it as complete. It is further requested that the Hon'ble Commission may specify the levelized tariff for the proposed MSW power project for 20 years tariff period which is useful life of the plant;
- (ii) Considering the base year's tariff of Rs. 15 per unit and Rs. 2 per kWh agreed to be borne by Kochi Municipal Corporation, approve the first year's tariff of Rs.13 per unit (base rate) indexed to inflation to an extent of 60% of variation in Wholesale Price Index with reference to the base year ending on 31st December 2014 on an annual basis for the Net Electricity Limited of 250 kWh/tonnes of MSW, ("Net Electricity Limited" shall mean the maximum limit of Net Electricity up to which the Concessionaire is entitled to receive payment at Power Tariff Rate, as set in Schedule 7 of concession agreement, from the Authority/Power Procuring Agency) for 20 years for sale of power to KSEB Ltd;
- (iii) Approve a Levelised cost of Rs.13.80 per unit for Net Electricity Excess ("Net Electricity Excess" shall mean the Net Electricity in excess of Net Electricity Limited, which the Concessionaire is free to sell to the Power Procuring Agency and share the proceeds with the Authority as set forth in Schedule 7) for 20 years for sale of power to KSEB Ltd;
- (iv) Grant exemption from Merit Order Dispatch Principles for the Project;"

The Commission vide order dated 06.03.2018 ordered as follows:

- (1) The first prayer of the petitioner to determine the levelised tariff for the electricity generated from the proposed MSW project for 20 year tariff period is approved, though the petition filed by the petitioner is not complete.
- (2) The second prayer of the petitioner to approve the 'tariff' for the 'first 250 unit' (net energy limited) generated per metric ton of MSW at Rs 13.00/unit (base rate) and subsequently it is indexed to inflation to an extent of 60% variation in Whole Sale Price Index with reference to the base year ending on 31st December, 2014, is rejected.

- (3) The third prayer of the petitioner is to approve the levelised cost of Rs.13.80 per unit for the energy generated in excess of the first 250 units per metric ton of the MSW (Net Electricity Excess) for 20 years for sale of power to KSEB Ltd is also rejected.
- (4) The levelised tariff for the entire electricity generated from the proposed 9.76MW MSW project at Brahmapuram is approved at Rs 6.17/unit, with accelerated depreciation, for a period of '20' years from the date of commercial operation of the project.
- (5) KSEB Ltd shall purchase the entire electricity generated from the proposed 9.76MW MSW project at Brahmapuram @Rs 6.17/unit, irrespective of the merit order dispatch.
- (6) KSEB Ltd shall reimburse, any tax paid on the RoE, limited to the amount of equity specified in this order, after getting separate invoice from the petitioner with necessary documentary evidence on payment of such tax to the authorities.
- (7) The developer shall avail the incentive and subsidy offered by Central and State Government available to MSW projects and shall pass on such benefit to the electricity consumers through reduction in tariff.

49. Order dated 27.03.2018 in File No. 560/DD(T)/2018/KSERC, In the matter of Schedule of Tariff and Terms and Conditions for Retail Supply of Electricity by Kerala State Electricity Board Limited and all other Licensees with effect from 01.04.2018.

The Commission vide the order dated 27.03.2018 extended the validity of the 'Schedule of Tariff and Terms and Conditions for Retail Supply of Electricity by Kerala State Electricity Board Limited and all other Licensees with effect from 18.04.2017 to 31.03.2018' approved by the Commission vide the order No. 1007/F&T/KSERC/2016 dated 17.04.2017 for a further period upto 31.12.2018 or the date of effect of the new tariff order pertaining to the control period starting from 01.04.2018, whichever is earlier

Notifications issued

Notification dated 16.05.2017 in File No.702/DD (T)/Technopark/2017/KSERC in the matter of designation of authorized officer of the Technopark.

In exercise of the powers conferred by the first proviso to sub-section (1A) of Section 135 of the Electricity Act, 2003 (Central Act 36 of 2003), the Kerala State Electricity Regulatory Commission vide Notification dated 16.05.2017 published in Government of

Kerala Gazette No.1004 dated 17.05.2017 designated the Assistant Manager (Electrical) of the Technopark, as the authorized officer of the Technopark, a distribution licensee of electricity under section 14 of the Act, for the purpose of disconnection of electricity upon detection of theft of electricity under the provisions of Section 135 of the Act.

Clarifications issued / other important issues addressed by the Commission

1. Open Access - comments on the discussion paper

KSERC vide letter dated 13.09.2017 in File No. 1355/DD(T)/Open Access/2017/ KSERC forwarded Comments on the proposal in the 'Consultation paper on issues related to Open Access to the Ministry of Power, Government of India.

The main issues projected by the Commission are:

(i) Frequent shifting of open access consumers between open access power and DISCOM power

By availing open access in day ahead market through exchanges, in 15 minute time blocks, as and when the price discovered in the exchanges during the time block is advantageous to them. For the remaining time blocks, such open access consumers are availing power from the DISCOMS. KSEB Ltd, the incumbent distribution licensee in the State had raised the issue that, this creates difficulty for them to schedule their power requirement since they are remaining in dark about the power requirement of the open access consumers. This may results in the following two situations. Either the utility is constrained to schedule power at higher rates from power exchanges, liquid fuel stations, DSM etc. or is forced to surrender the power already contracted, by paying fixed charge commitment of the contracted power. The penalties/ additional liabilities incurred by the DISCOM on account of such drawl of the open access consumers are passed on to other consumers who are continuing with the utility.

(ii) Limiting cross subsidy surcharge to +20% may lead to under recovery of eligible amount of DISCOMs

(iii) The stranded capacity and additional surcharge may be determined for the whole period of the day instead of determining additional surcharge for peak period and off-peak period separately, since it is difficult to determine stranded assets. The Commission also welcomed the proposal that, the cost of carrying Regulatory Assets or amortisation of the Regulatory Asset as one of the component of additional surcharge.

- (iv) Agreeing with the proposal that the Regulators may adopt uniform procedures for determination of the standby charges as proposed in the Tariff Policy that, the stand by charges may be approved at 125% of the fixed charge/demand charge and energy charges, the Commission remarked that, in the case of power shortage situations, the SERCs may approve the cost of alternative sources as stand by charges
- (v) The discussion paper proposed that, over a time horizon of three to five years, the SERC's in a phased manner, should develop a plan to bring the fixed charges in retail tariff to reflect 75% to 100% of the fixed cost liability of DISCOMS. This Commission is of the view that, the methodology for tariff rationalization cannot be generalized across the State. The state specific issues such as consumer profile and their consumption pattern, source wise generation and its cost etc need to be considered in the process of 'tariff rationalization'. Now, in the State of Kerala, the domestic consumers does not bear the fixed cost and hence, it may be difficult for this Commission to enhance the fixed charges of the domestic category to recover the fixed charges of the utility in proportion to their connected load or consumption pattern.

2. Clarification issued on providing banking facility for 1 MWp solar plant on the request of Bharath hospital

KSERC vide letter dated 05-05-2017 in File No. 2115/DD(T)/Bharath/2017/ KSERC issued clarification on providing banking facility for the electricity generated from the 1 MWp solar power plant established by M/s Bharath Hospital.

Commission directed KSEB Ltd to provide connectivity, open access and banking facility for the electricity generated from the 1 MWp solar plant established at Pampady, Kottayam, for their use at Hospital premise at Kottayam, duly considering the provisions of the Electricity Act-2003, KSERC (Connectivity and Intra State Open Access) Regulations, 2013, Kerala Solar Policy, 2013 and KSERC (Renewable Energy) Regulations, 2015.

3. Clarification issued on the request of Mar Baselleous college for connecting grid interactive solar plant with battery backup.

KSERC vide letter dated 23.08.2017 in File No. 795/DD(T)/MBCET/2017/ KSERC issued following clarification regarding connectivity to the 100kW solar plant installed by M/s MBCET with the grid of KSEB Ltd. It was reported that K S E B Ltd. did not provide connectivity stating that solar systems with battery backup cannot be given connectivity.

"Hence, considering the provisions of the Electricity Act-2003, the regulations notified by CEA under Section-73 of the Electricity Act-2003 and KSERC (Grid Interactive Distributed Solar Energy Systems) Regulations, 2014, KSEB Ltd cannot deny the connectivity to the 100kW solar plant installed by M/s MBCET with the grid of KSEB Ltd. Hence it is hereby directed that, KSEB Ltd shall, within three weeks from the date of receipt of this letter provide connectivity to the 100kW solar plant installed by M/s MBCET, strictly complying the Regulations 8 and 11 of the Solar Regulations, 2014 and report compliance to the Commission."

4. Clarification to Smt. Mary John on jurisdiction of the Commission on the orders of Appellate Authority

KSERC vide letter dated 12.02.2018 in File No. 0011/DD (T)/2018/KSERC/ issued clarification on petition filed by Smt. Mary John against the order dated 03/11/2017 issued by the Appellate Authority in Appeal No. 216/2017 as follows.

"As per the Electricity Act 2003, the State Commission has no jurisdiction on the assessment under section 126 of the Act and appeal provision thereon.

.....

As such, the Commission is not in a position to interfere on the order issued by the Kerala State Electricity Appellate Authority. You are advised to explore other available legal remedies."

5. UDAY (Ujwal DISCOM Assurance Yojana) for distribution companies

K S E B Ltd., Government of Kerala and Ministry of Power, Government of India has signed an MoU under UDAY scheme for improving operational efficiency of the K S E B Ltd. Central Government has entrusted the State Commissions to monitor the progress of commitments made by DISCOMs under the scheme. The Commission vide letter dated 4.7.2017 directed K S E B Ltd. to submit detailed report on the various commitments made under the scheme.

6. SHAKTI policy of Govt of India

Ministry of Coal under Government of India has issued guidelines for New More Transparent Coal Allocation Policy for power sector, 2017- SHAKTI (Scheme for Harnessing and Allocating Koyala (Cola) Transparency in India vide OM No. 23011/15/2016-CPD dated 22.5.2017. As per this policy, the coal companies have to bid for discount in tariff of electricity. The Commission directed K S E B Ltd. to take up the matter with the IPPs to whom K S E B Ltd. have entered into long term PPAs.

7. Applicability of penalty for Trissur Corporation Electricity Department during meter being faulty

KSERC vide letter dated 05.10.2017 in file No.901/DD(T)/TCED/2017/KSERC/ issued clarification regarding the issue raised by TCED in the matter of 'penalty for meter fault of 66kV substation as follows.

"Considering all the facts as above, Commission is of the view that penalty is not applicable to TCED during the meter faulty period. Accordingly, it is directed that, KSEB Ltd shall withdraw the penalty claimed."

8. Clarification on the request of Santhigiri Ashram for tariff categorization

KSERC vide letter dated 11.12.2017 in file No.1185/DD(T)/Santhigiri/2017/ KSERC/ issued clarification to Santhigiri Ashram regarding the Supply of electricity to 17 units of Santhigiri Ashram. The Ashram authorities stated that, the tariff applicable to Santhigiri Ashram has been changed from HT II A to HT IIB consequent to the issue of tariff order dated 17.4.2017 and requested that the Commission may make suitable re-categorization of tariff as applicable to the Consumer, who do such charitable action, rendering help to the needy.

Commission issued the following clarifications.

"However, as per the details collected from the field offices of KSEBL, the major part of the electricity used at the above premises is for Industrial activities and also Industrial tariff is lower than the tariff for private hospitals. Further, there is provision for segregating the electricity usage based on the purpose of usage and to levy electricity tariff separately for each use. Hence Commission is of the opinion that, the issue can be addressed to a great extent by separating the different activities in the premises and taking individual electric connections to each activity. KSEB Ltd. submitted that, they have no objection in giving individual connections and assigning individual tariff to the respective site/ building premises."

9. Applicability of Time of Day (ToD) tariff to Kochi Metro Rail Corporation (KMRL)

KSERC vide letter dated 18.09.2017 in file No. 1260/DD(T)/KMRL/2017/ KSERC issued clarification to KSEB Ltd that, since the usage of electricity by KMRL is similar to that of 'Railway Traction' and the operation of KMRL is limited during the period between 6:00 AM to 10:00 PM, ToD tariff shall not be applicable to KMRL till further order.

10. Clarification to Technopark on low voltage surcharge

KSERC vide letter dated 21.05.2017 in file No. 736/DD(T)/Technopark/ 2017/ KSERC issued following clarifications to Technopark regarding Low Voltage Surcharge.

"The low voltage surcharge is applicable to consumers who avail supply at voltage lower than that specified under regulation 8 of the supply code. Generally, this becomes applicable to consumers who availed supply at LT even if the connected load / contract demand, as the case may be, is above 100 kVA. Contract demand based billing is in vogue for industrial consumers in LT category having connected load above 20 kW.

Hence it is clarified that the low voltage surcharge is applicable on the contract demand for the consumers billed under contract demand basis and for connected load in the case of consumers billed under connected load basis; as provided in clause 13 of the Tariff order dated 17th April, 2017 in the Suo motu proceedings for determination of tariff for Electricity for the financial year 2017-18 applicable to the Strategic Business Units (Generation, Transmission and Distribution) of KSEB Ltd and for other licensees."

11. Clarification to Cochin Special Economic Zone Authority (CSEZ) on low voltage surcharge

KSERC vide letter dated 20.06.2017 in file no. 892/DD(T)/CSEZ/2017/KSERC/ issued following clarifications to Cochin Special Economic Zone Authority (CSEZA) regarding Low Voltage Surcharge.

- (i) The low voltage surcharge is applicable to consumers who avail supply at voltage lower than that specified under regulation 8 of the supply code. This becomes applicable to consumers who availed supply at LT even if the connected load / contract demand, as the case may be, is above 100 kVA.
- (ii) Hence it is clarified that the low voltage surcharge is applicable on the contract demand for the consumers billed under contract demand basis and for connected load in the case of consumers billed under connected load basis; as provided in clause 13 of the Tariff order dated 17th April, 2017 in the Suo motu proceedings for determination of tariff for Electricity for the financial year 2017-18 applicable to the Strategic Business Units (Generation, Transmission and Distribution) of KSEB Ltd and for other licensees.
- (iii) It is further clarified that the low voltage surcharge is applicable on the entire contract demand irrespective of the billing demand.

12. Clarification on tariff of meat processing industries

KSERC vide letter dated 01.08.2017 in file No. 1002/DD(T)/Ayegrow/ 2017/KSERC/ has clarified that meat processing industries shall be categorized under LT IV A for levy of electricity charge.

13. USE OF INFORMATION TECHNOLOGY

The Office of the Commission is equipped with local area network and all officers are provided with internet services. The Commission has a website (www.erckerala.org) and it is regularly updated with various orders, regulations, notices issued, minutes of meetings, etc.

14. MEETING OF FORUM OF REGULATORS (FOR) AND FORUM OF INDIAN REGULATORS (FOIR)

In accordance with the provisions of sub-section (1) of Section 166 of the Electricity Act, the Central Government has constituted the Forum of Regulators (FOR) with Chairpersons of the State Commissions as Members and Chairperson of CERC as the Chairman. Details of meetings held by FOR during 2017-18 are given below.

59th meeting held at Guwahati on 21st April, 2017- Shri.T.M.Manoharan, Chairman attended the meeting.

60th meeting held at New Delhi on 23rd June, 2017

61st meeting held at Chennai on 22nd September, 2017- Shri.K.Vikraman Nair, Member attended the meeting.

62nd meeting held at New Delhi on 15th December, 2017- Shri.Preman Dinaraj, Chairman attended the meeting.

15. Meeting of Forum of Indian Regulators

The FOIR is an association of the Chairpersons and Members of the Electricity Regulatory Commissions. Other regulatory bodies like Petroleum and Natural Gas Regulatory Board (PMGRB), Competition Commission of India (CCI), Airports Economic Regulatory Authority (AERA), Tariff Authority of major Ports and Administrative Staff College of India and the Energy Resource Institute are also members. The Forum provides a venue for exchange of views and information among Indian Regulators in various fields.

The 18th Annual General Body Meeting of FOIR was held at New Delhi on 22nd June, 2017.

16. South Asia Forum for Infrastructure Regulation (SAFIR)

SAFIR is an association of regulators in the field of infrastructure from SAARC countries. The 23rd Steering Committee Meeting of SAFIR was held at New Delhi on 12th May, 2017.

17. SOUTHERN ELECTRICITY REGULATORY FORUM (SERF)

SERF is a forum constituted for interaction among the Regulatory Commissions of the Southern States of Andhra Pradesh, Karnataka, Tamil Nadu, Telengana and Kerala. Common issues, problems and proposals of the five States are discussed in detail in this forum for appropriate solutions. The details of the meetings held during 2017-18 are as follows.-

16th meeting at Tirupathi, Andhra Pradesh on 20th to 22nd November, 2017- Shri. Preman Dinaraj, Chairman, Shri.K.Vikraman Nair and Shri.S.Venugopal, Members attended the meeting.

17th meeting at Mangalore on 09th March, 2018- Shri.Preman Dinaraj, Chairman and Shri.K.Vikraman Nair, Member attended the meeting.

18. Technical Committee of Forum of Regulators for Integration of Renewables

The Technical Committee for Implementation of Framework on Renewables at State Level was formed under the Chairmanship of Shri.A.S.Bakshi, Member, Central Electricity Regulatory Commission and comprising of Technical Members of State Commission of renewable rich States viz., Tamil Nadu, Gujarat, Rajasthan, Maharashtra, Andhra Pradesh, Telengana, Karnataka and Madhya Pradesh. The Chairman, KSERC is a permanent special invitee to the Committee. The details of the meetings of the Committee held during 2017-18 are as follows.-

12th meeting held at Bengaluru on 30.05.2017

13th meeting held at Bhopal on 04.08.2017

14th meeting held at New Delhi on 13.09.2017

15th meeting held at Hyderabad on 30.10.2017- Shri.Preman Dinaraj, Chairman attended the meeting.

16th meeting held at Sasan, Gujarat on 24.11.2017- Shri.Preman Dinaraj, Chairman attended the meeting.

17th meeting held at New Delhi on 12.01.2018- Shri.Preman Dinaraj, Chairman attended the meeting.

18th meeting held at New Delhi on 23.02.2018.

19. CONSUMER GRIEVANCE REDRESSAL FORUM

The Electricity Act, 2003 requires that every distribution licensee shall establish a forum for redressal of the grievances of consumers. The following licensees have established the forum under sub-section (5) of Section 42 of the Act with the following officers as the Chairpersons:

Sl. No	Name of Licensee	Redressal Forum
1	Kerala State Electricity Board Ltd	(1) Southern Region:
		Deputy Chief Engineer (Ele), Consumer Grievance Redressal Forum, KSEB, Vydyuthi Bhavanam, Kottarakkara – 691 506
		(2) Central Region:
		Deputy Chief Engineer (Ele) Consumer Grievance Redressal Forum, KSEB, 220 kV Substation Compound, HMT Colony P.O., Kalamassery- 683 503.
		(3) Northern Region:
		Deputy Chief Engineer (Ele) Consumer Grievance Redressal Forum, KSEB Vydyuthi Bhavanam, Beach Road, Kozhikode.
2	Cochin Port Trust	The Deputy Chief Engineer
		Consumer Grievance Redressal Forum Cochin Port Trust, W.Island, Cochin – 682 003
3	Kanan Devan Hills Plantations Co. Pvt Ltd	Technical Officer (Electrical) Consumer Grievance Redressal Forum KDHPC, Munnar Workshop Munnar – 685 612
4	Technopark, Thiruvananthapuram	Chief Executive Officer Consumer Grievance Redressal Forum Technopark, Technopark Campus, Thiruvananthapuram – 695 581
5	Cochin Special Economic Zone, Cochin	Assistant Development Commissioner, Consumer Grievance Redressal Forum, Cochin Special Economic Zone, Ministry of Commerce and Industry, Government of India, Kakkanad Cochin – 682 037
6	Rubber Park India Pvt. Ltd, Cochin	Managing Director Consumer Grievance Redressal Forum Rubber Park India Pvt. Ltd, 2A, Kautileeyam Rubber Park, Valayanchirangara, Ernakulam
7	KINESCO, Cochin	The Chief Executive Officer Consumer Grievance Redressal Forum KINESCO Power Utilities Limited IX/159 A, Kusumagiri P.O., Kakkanad, Cochin–30
8	Thrissur Corporation	Electrical Engineer Consumer Grievance Redressal Forum Thrissur Corporation, Thrissur

The CGRFs consist of three members including the Chairperson. Of the three members, two members are appointed by the licensees and the third member is nominated by the Commission. The following persons were nominated by the Commission as the Third Member of various CGRFs.

CGRF & Licensee	Name of Third member
CGRF, Southern Region, KSEB Ltd, Kottarakkara	Sri.A.R. Vijayasundaran, Advocate
CGRF, Northern Region, KSEB Ltd, Kozhikode.	Sri.Robin Peter, Advocate
CGRF, Central Region, KSEB Ltd, Ernakulam	Sri.Jefrin Manuel, Advocate
CGRF, Rubber Park India Limited	Sri.Jonny Kuriakose, Advocate
CGRF, CSEZA, Kakkanad, Kochi	Sri.Jonny Kuriakose, Advocate
CGRF, Cochin Port Trust	Smt.A. Girija, Advocate
CGRF, Thrissur Corporation	Sri.M.G.Rajagopal, Chief Electrical Inspector (Rtd)
CGRF, KDHPCL, Munnar	Sri.P.Udayabhanu, Advocate
CGRF, Technopark	Sri.A.R.Vijayasundaran, Advocate
CGRF KINESCO	Sri.V.Madhusudhanan, Advocate

A summary of the petitions received and disposed of by the various CGRFs during 2017-18 is given below.-

No. of petitions received and disposed of by the various CGRFs						
Name of the CGRF	No. of petitions					Number of sittings conducted during the year
	pending as on 1.4.2017	received during 2017-18	disposed during 2017-18	pending as on 31-3-2018	Disposed in favour of consumers	
CGRF, Kottarakkara	72	214	247	39	166	124
CGRF, Ernakulam	24	172	99	73	60	43
CGRF, Kozhikode	45	237	224	58	142	71
CGRF, Technopark, Thiruvananthapuram	Nil	Nil	Nil	Nil	Nil	Nil

CGRF, Cochin Port Trust, Kochi	Nil	Nil	Nil	Nil	Nil	Nil
CGRF, KPUPL, Kochi	1	Nil	1	Nil	Nil	1
CGRF, CSEZA, Kochi	Nil	Nil	Nil	Nil	Nil	Nil
CGRF, Rubber Park India (P) Ltd, Kochi	Nil	Nil	Nil	Nil	Nil	Nil
CGRF, Thrissur Corporation, Thrissur	1	6	5	2	4	24
CGRF, KDHPCL, Munnar	Nil	Nil	Nil	Nil	Nil	Nil

20. ELECTRICITY OMBUDSMAN

Electricity Ombudsman is a statutory authority appointed by the Commission under sub-section (6) of Section 42 of the Electricity Act, 2003, to settle grievances of consumers, aggrieved by non redressal of their grievances by the Consumer Grievance Redressal Fora. Shri V.V. Sathyarajan continued as Ombudsman till 30.04.2017. Shri.A.S.Dassapan assumed charged as Ombudsman on 02.05.2017. The Office of the Electricity Ombudsman is located at Pallikkavil Building, Mamangalam – Anjumana Temple Road, Opp. Corporation Regional Office, Edappally, Kochi 682 024 (Phone : 0484-2346488). Abstract of petitions received and disposed of during the year under report is given below.

No. of petitions pending as on 1.4.2017	36
No. of petitions received during 2017-18	121
No. of petitions disposed during 2017-18	139
No. of petitions pending as on 31.3.2018	18
No. of petitions disposed in favor of the consumers	93
No of sittings conducted	155

The following orders of the Ombudsman/CGRFs were challenged by KSEBL by filing writ petitions before the Hon'ble High Court during 2017-18.

SI No.	O.P.No/ Appeal No. & Issue.	CGRF/ Ombudsman	Date of order by CGRF/ Ombudsman	Writ petition No. & year	Interim orders if any
1.	O.P.138/2015-16	CGRF (CR)	2016	26202/2017	
2.	A.P.58/2016	Ombudsman	2016	17870/2017	30.05.2017 Interim stay
3.	A.P.02/2017	Ombudsman	2017	27547/2017	
4.	A.P.770/2017	Ombudsman	2017	24365/2017	24.07.2017 Interim stay
5.	O.P.94/2016-17	CGRF (CR)	2017	26540/2017	
6.	O.P.181/2016	CGRF (S)	2016	34708/2017	
7.	A.P.57/2016	Ombudsman	2016	34675/2017	
8.	A.P.24/2017	Ombudsman	2017	31726/2017	05.10.2017 Interim stay
9.	A.P.74/2016	Ombudsman	2016	36246/2017	
10.	A.P.75/2016	Ombudsman	2016	36247/2017	
11.	A.P.23/2017	Ombudsman	2017	34681/2017	
12.	O.P.151/2017-18	CGRF (N)	2018	13420/2018	
13.	O.P.53/2016-17	CGRF (CR)	2017	21442/2017	29.06.2017 Interim stay
14.	O.P.15/2016-17	CGRF (N)	2017	23612/2017	30.08.2017 Interim stay
15.	O.P.130/2016	CGRF (S)	2017	27556/2017	
16.	A.P.42/2016	Ombudsman	2017	27883/2017	
17.	A.P.30/2016	Ombudsman	2017	30247/2017	
18.	O.P.68/2016	CGRF (CR)	2017	36003/2017	11.12.2017 Interim stay

19.	A.P.05/2017	Ombudsman	2017	29975/2017	22.02.2018 until further orders
20.	A.P.56/2016	Ombudsman	2017	9370/2018	
21.	A.P.66/2016	Ombudsman	2017	9679/2018	
22.	A.P.79/2016	Ombudsman	2016	16866/2018	24.05.2018 Interim stay
23.	A.P.70/2016	Ombudsman	2017	17628/2018	30.05.2018 Interim stay
24.	O.P.1532/2015	CGRF (S)	2015	19254/2017	09.06.2017 Interim stay
25.	O.P.69/2016-17	CGRF (CR)	2017	19955/2017	
26.	O.P.18/2016-17	CGRF (S)	2017	6831/2017	
27.	O.P.34/2016-17	CGRF (CR)	2017	17725/2017	
28.	A.P.20/2016	Ombudsman	2016	19601/2017	
29.	A.P.168/2016	Ombudsman	2016	20195/2017	
30.	O.P.108/2016	CGRF (S)	2016	20512/2017	
31.	A.P.53/2016	Ombudsman	2016	20569/2017	
32.	O.P.19/2016-17	CGRF (CR)	2017	21664/2017	
33.	O.P.68/2016-17	CGRF (CR)	2017	31022/2017	
34.	O.P.23/2015-16	CGRF (N)	2016	31063/2017	
35.	A.P.47/2016	Ombudsman	2016	31357/2017	
36.	O.P.182/2016-17	CGRF (N)	2017	5457/2018	
37.	O.P.150/2016-17	CGRF (CR)	2017	7735/2018	
38.	A.P.85/2017	Ombudsman	2017	12064/2018	
39.	A.P.32/2017	Ombudsman	2017	12780/2018	

Thrissur Corporation has filed WP(C) No.21886/17 before the Hon'ble High Court, challenging the orders dated 21.03.2017 of Ombudsman in P/085/2016.

21. DEVELOPMENT OF RENEWABLE ENERGY IN THE STATE

Renewable Energy Purchase Obligation (RPO) is the obligation mandated by the State Electricity Regulatory Commission (SERC) under clause (e) of sub-section (1) of Section 86 of the Electricity Act 2003. This statute requires the licensees and open access consumers to purchase a minimum level of renewable energy out of the total consumption in the area of a distribution licensee. As per Kerala State Electricity Regulatory Commission (Renewable Energy) Amendment Regulations, 2017 issued by the Commission on 2nd November 2017, the percentage of solar and non solar RPO is as follows:

Financial Year	Minimum Non-solar RPO as % of total consumption (excluding hydro power)	Minimum solar RPO as % of total consumption (excluding hydro power)	Total RPO target as % of total consumption
2016-17	4.50	0.50	5.00
2017-18	6.00	1.50	7.50
2018-19	7.00	2.75	9.75

Kerala State Electricity Regulatory Commission has issued orders for compliance of RPO by the licensees and open access consumers in the state. ANERT is monitoring the RPO compliance and reports are being published in their website.

Since the following four licensees could not fulfill their RPOs, Renewable Energy Certificates (RECs) have been purchased to meet the RPO as follows:

- | | | |
|-------|---------------------------|-----------------------------------|
| (i) | KSEB Ltd | 1 Lakh non solar RECs |
| (ii) | Technopark | 3031 non solar RECs |
| (iii) | Rubber Park India Limited | 1081 non solar and 121 solar RECs |
| (iv) | Infopark | 186 non solar RECs |

To attract investment in the solar sector, a Generation Based Incentive (GBI) of Rs 1 per unit was approved for off grid solar plants. It was also decided that if meters are not available, the GBI can be provided by accounting generation @ 2.45 kWh/kW/ day for each of installed capacity.

22. COMPLIANCE OF THE ELECTRICITY ACT 2003 AND THE RULES AND REGULATIONS MADE THEREUNDER.

As provided in clause 19 of Part III, the conditions of license for distribution licensees, under KSERC Licensing Regulations 2006, for monitoring the compliance of Act, Rules, Regulations and orders by the licensees, a Compliance Examiner has been appointed by the Commission. Non-compliance by the licensees are being strictly monitored. Inspections to verify compliance and to suggest remedial measures are the main functions of the Compliance Examiner.

The Compliance Examiner conducts regular on the spot inspections in the distribution section offices of KSEBL and other licensees in the State through the Junior Consultants (Consumer Advocacy) and the level of compliance of the codes and guidelines issued by the Commission is reported to the Commission. Corrective actions are also proposed to the licensees.

In 2017-18, inspections in 238 Electrical Sections of KSEB Ltd. were conducted by the four Junior Consultants (Consumer Advocacy) and reviewed by the Compliance Examiner at the circle level. The main observations are detailed below:

- (1) As per sub-regulation 13 of Regulation 4 of the KSERC (Standards of Performance of Distribution Licensees) Regulations, 2015, the licensee shall adhere to the time lines specified in the Kerala Electricity Supply Code, 2014, failing which the consumer is entitled to get compensation. In many sections, this time lines are seen exceeded in many cases especially in change of tariff category, transfer of service connection and in cases of new service connection where electric supply can be provided after extension/augmentation of the existing distribution system.
- (2) Sub-regulation (3) of Regulation 4 of the KSERC (Standards of Performance of Distribution Licensees) Regulations, 2015, specifies the time limit for restoration of supply in the case of breakdowns of overhead line or overhead cable. Even though this time limit has seen not exceeded, the number of breakdowns in the case of Low Tension line is very high. This has to be investigated to see whether the breakdowns are happening due to lack of scheduled maintenance works.
- (3) As per sub-regulation (11) of Regulation 4 of the KSERC (Standards of Performance of Distribution Licensees) Regulations, 2015, the distribution licensee shall maintain the distribution system in such a way that the neutral voltage does not exceed 2% of the supply voltage. Records were not available in any of the sections of KSEB Ltd. where inspections were carried out to ascertain the neutral voltage level.
- (4) Due to the non collection of electricity charges from Government Departments such as Kerala Water Authority, Agricultural Department, Health

Department, Home Department etc. the section level collection efficiency is much lower than 98% which is the minimum specified collection efficiency as per Regulation 6 of the KSERC (Standards of Performance of Distribution Licensees) Regulations, 2015.

(The list of offices inspected are furnished in Annexure-II)

Consumer Advocacy Cell under the Commission worked towards creating awareness among the consumers about the power sector and the regulatory processes thereby ensuring consumer participation in the electricity regulatory process.

To enlighten the consumers of KSEB Ltd., pamphlets were printed on Standards of Performance, Consumer Grievance Redressal Forum and Electricity Ombudsman, details of documents to be attached for various services of KSEB Ltd., and distributed through the Electrical Section Offices of KSEB Ltd.

In addition to the above activities non-compliance of general nature received from consumers or consumer groups were taken up appropriately with the concerned officials of Licensee and settled.

LIST OF PETITIONS DURING THE FINANCIAL YEAR 2017-18

Sl No	Petition No. with Date	Name of the petitioner	Name of respondent	In the matter of	Status
1.	C.P.01/17, 03.04.2017	M/s.Capithan Exporting Company, Kollam	KSEB Ltd.	Imposing penalty under section 142 of the Electricity Act, 2003 for the non-compliance of CGRF (South) Order dated 05.10.2015 in O.P. No.1532/2015.	KSEB Ltd. filed W.P.(C) No. 19254 /2017 (f) before the Hon'ble High Court of Kerala against the order of CGRF (South). The Court has stayed further proceedings pursuant to this petition No. C.P.01/2017.
2.	R.P.10/2017 in C.P. 09/2016	M/s.Atlas Gold Town ships India (P) Ltd	KSEB Ltd. and 2 others	Review petition against the order dated 26.04.2017 in C.P. 09/ 2016.	The Hon. High Court of Kerala vide its Interim Order dated 23.11.2017 in W.P.(C) No. 15370/ 2017 (U) has stayed further proceedings on the review petition till disposal of writ petition.

3.	R.P.11/2017 in C.P. 08/2016	M/s.Atlas Gold Townships India (P) Ltd	KSEB Ltd. and 2 others	Review petition against the order dated 26.04.2017 in C.P. 08/ 2016.	The Hon. High Court of Kerala vide its Interim Order dated 23.11.2017 in W.P.(C) No. 15370/ 2017 (U) has stayed further proceedings on the review petition till disposal of writ petition.
4.	R.P.12/2017 in C.P. 08 & 09/2016	KSEB Ltd.	M/s.Atlas Gold Townships India (P) Ltd and 2 others	Review petition against the order dated 26.04.2017 in C.P. 08/ 2016 and 09/2016.	The Hon. High Court of Kerala vide its Interim Order dated 23.11.2017 in W.P.(C) No. 15370/ 2017 (U) has stayed further proceedings on the review petition till disposal of writ petition.
5.	C.P.02/2017 24.08.2017	Mata Amrita- nandamayi Math, Amrita Institute of Medical Sciences, Kochi.	KSEB Ltd.	Imposing penalty under section 142 of the Electricity Act, 2003 for the non-compliance of State Electricity Ombudsman Order dated 29.05.2017 in Appeal Petition No. P/005/2017	KSEB Ltd. filed W.P. (C) No.29975/2017 before the Hon'ble High Court of Kerala challenging the order of the Electricity Ombudsman. The court has stayed further proceedings till disposal of writ petition.
6.	C.P.03/2017 25.08.2017	Sri.Babu Pattathanam, ATC Telecom Infrastructure Pvt.Ltd. Kochi	KSEB Ltd.	Imposing penalty under section 142 of the Electricity Act, 2003 for the non-compliance of CGRF(North) Order dt.15.01.2014 in O.P. No. 43/2014.	The petition was disposed on 12.02.2018 in favour of the petitioner.
7.	C.P. 01/2018 03.01.2018	Sri.Ayammed Edakkad, Kannur.	KSEB Ltd.	Imposing penalty under section 142 of the Electricity Act, 2003 for the non-compliance of delay in installing transformer in A.P.A Complex, Edakkad.	KSEB Ltd. and the Electrical Inspector were directed to file Counter Statement to the petition

23. ENGAGEMENT OF AUDITORS

M/s. Krishnayagam and Associates were the internal auditors for auditing the accounts of the Commission for 2017-2018.

24. IMPLEMENTATION OF THE RIGHT TO INFORMATION ACT - 2005

Following officers have been designated as Public Information Officers during 2017-18.

i. Public Information Officer

Shri. Thulaseedharan Pillai.K ,Administrative Officer

ii. Assistant Information Officer

Smt.P.G. Sreedevi,Conf.Assistant

iii. Appellate Authority

Shri Santhosh Kumar K.B, Secretary

28 petitions under Right to Information Act 2005 were received and 27 of them were disposed of during the period under report.

25. LEGAL MATTERS

84 Writ Petitions were pending before the Hon. High Court of Kerala during 2017-18 in which the Commission has been arrayed as a party respondent. Likewise there are 27 nos. of Civil Appeals/ Special Leave Petitions (SPLs) pending before the Hon'ble Supreme Court of India in which the Commission is a party. There are 15 nos. of appeals pending before the Hon'ble APTEL in which the Commission is a party.

Counsels who were engaged to appear before the different courts and Tribunal during the year were the following:

High Court of Kerala	:	Adv.Sujin
Supreme Court of India and	}	Adv.M.R.Ramesh Babu
Appellate Tribunal for Electricity		Adv.Venkita Subramonia
New Delhi		Adv.James.P.Thomas

26. FINANCE AND ACCOUNTS

The Annual Accounts of the Commission, for the year 2017-18 (yet to be audited by the Accountant General) is at Annexure-III.

Annexure-I

List of proceedings/hearing held by the Commission during 2017-18

Sl. No.	Date & Time	Venue	Subject
1	03.04.2017/ 11 am	Commission's office	O.P. No.02/2017- Petition filed by INDSIL Power Limited against KSEB Ltd.
2	04.04.2017/ 11 am	Commission's office	O.A.No.06/2017- Truing up petition filed by CoPT.
3	05.04.2017/ 11 am	Commission's office	O.A.No.05/2017- Petition filed by M/s.KDHPCL- Application for Truing up for 2015-2016.
4	11.04.2017/ 11 am	Commission's office	O.A.No.08/2017- TCED- Truing up application for 2015-16.
5	17.04.2017/ 11 am	Commission's Office	O.P.No.03/2017- Petition filed by M/s.CIAL.
6	21.04.2017/ 11 am	Commission's Office	O.A.No.09/2017- Application for approval of revised ARR & ERC for 2017-18 filed by Technopark.
7	10.05.2017/ 11 am	Commission's office	O.A.Nos.10/2017 & 11/2017- Application filed by RPIL for revised ARR & ERC for 2017-18 and Truing up for 2015-16.
8	23.05.2017/ 11 am	Commission's office	C.P.No.01/2017- Petition filed by M/s.Capithan Exporting Company under Section 142 of the Electricity Act, 2003.
9	25.05.2017/ 2.30 pm	Commission's Office	R.P.No.01/2017- Hearing on Review Petition filed by HT & EHT Association.
10	30.05.2017/ 11 am	Commission's Office	O.A.No.14/2017- Application for Truing up for 2015-16 filed by CSEZA.
11	31.05.2017/ 11 am	Commission's Office	O.A.No.12/2017- Application for Truing up for 2015-16 and Application for ARR & ERC for 2017-2018 filed by M/s.Infopark.
12	20.06.2017/ 11 am	Commission's Office	Admissibility hearing on petition for amending the schedule of T&C for retail supply of Electricity Regulation filed by M/s.Mata Amritanandamayi Math.
13	27.06.2017/ 11 am	Commission's Office	Hearing on the Review Petition filed by M/s. KMRL.
14	11.07.2017/ 11 am	Commission's Office	O.P.No.05/2017- Petition filed by M/s.CSEZA for obtaining single point power supply to M/s. MPG Hotels.
15	11.07.2017/ 11 am	Commission's Office	O.P.No.06/2017- Petition filed by M/s.KPUPL for obtaining single point power supply to Lulu Cyber Park.

16	11.07.2017/ 11 am	Commission's Office	C.P.No.01/2017- Petition filed by Capithan Exporting Company.
17	18.07.2017/ 11 am	Commission's Office	Public Hearing on R.P.Nos.02/2017, 03/2017 and 05/2017-Review Petition filed by KSEB Ltd. against the order of Truing up for 2011- 2012, 2012-2013 and 2009-2010 respectively.
18	08.08.2017/ 11 am	Commission's Office	R.P.No.06/2017- Hearing on the Review Petition filed by KDHPCL.
19	09.08.2017/ 11 am	Commission's Office	Hearing on Project Report and Cost Benefit Analysis for the proposed 110 kV substation of TCED.
20	16.08.2017/ 11 am	Commission's Office	R.P.No.07/2017- Review Petition filed by KSEB Ltd. against Tariff Order 2017-2018.
22	16.08.2017/ 12 noon	Commission's Office	O.P.No.07/2017- Petition filed by M/s. National Plywood Industries Limited.
23	25.08.2017/ 11 am	Commission's Office	Petition on tariff of MSW work to Energy Plant, Bhramapuram, Kochi.
25	29.08.2017/ 11 am	Commission's Office	O.P.No.08/2017-Hearing on petition filed by M/s. INOX Renewables Limited for approval of PPA for 16 MW wind power project.
27	29.08.2017/ 12 noon	Commission's Office	O.P.No.09/2017- Hearing on petition for approval of Power Sale Agreement for 50 MW Solar PV Project at Kasargod Solar Park, Kerala filed by IREDA Ltd., New Delhi.
28	14.09.2017/ 11 am	Soorya Retreat, Kanjikode, Palakkad	Public Hearing on petition filed by M/s.KPUPL for including additional licence area.
29	26.09.2017/ 11 am	Commission's Office	O.A.No.15/2017- Hearing on application for truing up of accounts for 2014-2015 of Technopark.
30	03.11.2017/ 11 am	Commission's Office	C.P.No.02/2017- Petition under Section 142 of Electricity Act, 2003, for non-compliance of the order of Electricity Ombudsman.
31	03.11.2017/ 11.30 am	Commission's Office	R.P.No.09/2017- Review Petition filed by M/s. RPIL against the order dated 26.07.2017 on truing up for 2015-2016.
32	07.11.2017/ 11 am	Commission's Office	O.P.No.08/2017- Hearing on petition filed by M/s. INOX Renewables Ltd.
33	08.11.2017/ 11 am	Commission's Office	O.A.No.16/2017- Petition filed by KSEBL for fuel surcharge from April to June, 2017.
34	12.12.2017/ 11 am	Commission's Office	Public Hearing in R.P.No.08/2017- Review Petition filed by KSEBL.

35	21.12.2017/ 11 am	Commission's Office	O.P.No.12/2017- Petition filed by Technopark Ltd. for approval of capital investment plan.
36	03.01.2018/ 11 am	Town Hall, Ernakulam	Public Hearing on KSERC (Tariff) Regulations, 2017.
37	10.01.2018/ 11 am	Commission's Office	Public Hearing on KSERC (Tariff) Regulations, 2017.
39	15.01.2018/ 11 am	Town Hall, Ernakulam	O.A.No.17/2017- Public Hearing on petition filed by KSEB Ltd. for approval of cost data.
40	16.01.2018/ 10.30 am	Hotel Span, Kozhikode	O.A.No.17/2017- Public Hearing on petition filed by KSEB Ltd. for approval of cost data.
41	18.01.2018/ 11 am	Commission's Office	O.A.No.17/2017- Public Hearing on petition filed by KSEB Ltd. for approval of cost data.
42	18.01.2018/ 2.30 pm	Commission's Office	Admissibility Hearing on petition filed by KSEB Ltd. in the matter of tariff applicable to Ajantha Colour Lab.
43	23.01.2018/ 11 am	Commission's Office	O.P.No.34/2015- Petition filed by M/s.BKPL as per direction in the judgment in W.P.(C) 540/ 2017 N of the High Court.
44	06.02.2018/ 11 am	Commission's Office	O.A.No.09/2017- Approval of Power Sale Agreement- Petition filed by IREDA Ltd.
45	06.02.2018/ 11.30 am	Commission's Office	O.A.No.01/2018- Petition on fuel surcharge from 07/2017 to 09/2017.
46	07.02.2018/ 11 am	Commission's Office	O.P.No.03/2018- Petition filed by M/s.KPUPL for approval of capital investment.
53	12.02.2018/ 11.00 am	Commission's Office	O.P.No.01/2018- Petition to adjudicate the dispute with M/s.Maithon Power Ltd.
55	12.02.2018/ 11.30 am	Commission's Office	O.P.No.02/2018- Petition filed by M/s.Anakampoil Power Ltd.
56	12.02.2018/ 2.30 pm	Commission's Office	O.P.No.04/2018- Petition to amend KSERC (Grid Interactive Solar Energy System) Regulation, by Amritanandamayi Math.
57	14.02.2018/ 11 am	Commission's Office	O.A.No.02/2018- Petition for truing up for 2016-17 by KDHPCL.
58	14.02.2018/ 11.30 am	Commission's Office	O.A.No.03/2018- Application for truing up for 2016-2017 by CoPT.
59	20.03.2018/ 11 am	Commission's Office	O.A.No.04/2018- Petition filed by KSEB Ltd. in the matter of tariff applicable to Ajantha Colour Lab.
60	20.03.2018/ 11.30 am	Commission's Office	O.A.No.18/2017- Petition filed by M/s.HPCL in the matter of tariff applicable to LPG Bottling Plants.

Annexure-II**Details of KSEB Ltd. Section wise Inspection conducted by the Compliance wing during the financial year 2017-18**

SI No.	Electrical Section	Date of Inspection
1	Edoor	17.04.2017
2	Ulikkal	18.04.2017
3	Kelakam	19.04.2017
4	Kakkayangad	20.04.2017
5	Erikoor	21.04.2017
6	Chembari	22.04.2017
7	Ramathali	24.04.2017
8	Kunhimangalam	25.04.2017
9	Velloor	26.04.2017
10	Dharmasala	27.04.2017
11	Chapparaparambu	28.04.2017
12	Payangadi	29.04.2017
13	Nellikunnu	08.05.2017
14	Kumbala	09.05.2017
15	Varkody	10.05.2017
16	Chattanchal	11.05.2017
17	Perla	12.05.2017
18	Balanthode	13.05.2017
19	Rajapuram	15.05.2017
20	Beemanadi	16.05.2017
21	Nallampuzha	17.05.2017
22	Kayyur	18.05.2017
23	Mavungal	19.05.2017
24	Padiyottuchal	10.07.2017
25	Cherupuzha	11.07.2017
26	Vallithode	12.07.2017
27	Madhamangalam	13.07.2017
28	Pariyaram	14.07.2017
29	Karimbam	15.07.2017
30	Muthuthala	20.07.2017

31	Kumbidi	21.07.2017
32	Kodancherry	07.08.2017
33	Puthupady	08.08.2017
34	Kattangal	09.08.2017
35	Thiruvampady	10.08.2017
36	Pannikkode	11.08.2017
37	Koorachundu	16.08.2017
38	Mavoor	17.08.2017
39	Beach	18.08.2017
40	Vellimadukunnu	19.08.2017
41	Pookottumpadam	13.09.2017
42	Pothukallu	14.09.2017
43	Edakara	15.09.2017
44	Chungathara	16.09.2017
45	Nilambur	18.09.2017
46	Agampadam	19.09.2017
47	Wandoor	20.09.2017
48	Vaniyambalam	22.09.2017
49	Kalikavu	25.09.2017
50	Thuvayoor	26.09.2017
51	Mambad	27.09.2017
52	Edavanna	28.09.2017
53	Thirunavaya	18.04.2017
54	Ponmundam	19.04.2017
55	Tanaloor	20.04.2017
56	Vettam	22.04.2017
57	Ponnani	24.04.2017
58	Perumpadapu	25.04.2017
59	Thodupuzha No.1	03.05.2017
60	Vannapuram	04.05.2017
61	Karimannur	05.05.2017
62	Kumili	11.05.2017
63	Anakkara	12.05.2017
64	Upputhara	17.05.2017
65	Erattayar	26.05.2017

66	Kanchikuzhi	29.05.2017
67	Thookupalam	30.05.2017
68	Alacode	31.05.2017
69	Nedumkandam	03.06.2017
70	Vandenmedu	05.06.2017
71	Udumpanchola	06.06.2017
72	Kanjiyar	07.06.2017
73	Kambilikandam	12.06.2017
74	Rajakumari	13.06.2017
75	Rajakkad	14.06.2017
76	Mananthavady	19.06.2017
77	Panamaram	20.06.2017
78	Perambra (South)	20.07.2017
79	Muttungal	21.07.2017
80	Kalpetta	22.07.2017
81	Ariyikulam	24.07.2017
82	Maniyoor	25.07.2017
83	Ayancherry	26.07.2017
84	Kuttiyadi	27.07.2017
85	Sulthan Bathery (E)	28.07.2017
86	Meenangadi	29.07.2017
87	Edappal	04.08.2017
88	Thavanoor	05.08.2017
89	Purathur	08.08.2017
90	Thirur (East)	09.08.2017
91	Thirur (West)	11.08.2017
92	Vengara	14.08.2017
93	Venniyur	16.08.2017
94	Thirurangadi	18.08.2017
95	AR Nagar	19.08.2017
96	Thanoor	21.08.2017
97	Puthennathani	24.08.2017
98	Thuvakadu	26.08.2017
99	Valanchery	15.09.2017
100	Kuttiipuram	16.09.2017

101	Thottabhagam	19.09.2017
102	Ranni - Perunad	20.09.2017
103	Ezhamkulam	22.09.2017
104	Pandalam	23.09.2017
105	Kumbazha	25.09.2017
106	Manipuzha	26.09.2017
107	Kozhencherry	27.09.2017
108	Kozhinjanpara	10.04.2017
109	Pudhunagaram	11.04.2017
110	Muthalamada	12.04.2017
111	Mudappallur	17.04.2017
112	Kottayi	21.04.2017
113	Padoor	22.04.2017
114	Malampuzha	24.04.2017
115	Mundur	25.04.2017
116	Big Bazar	26.04.2017
117	Elappully	29.04.2017
118	Kollappally	15.05.2017
119	Parathode	16.05.2017
120	Koorappada	17.05.2017
121	Aluva West	18.05.2017
122	Chengamanad	19.05.2017
123	Kunnukara	20.05.2017
124	Mookannur	22.05.2017
125	Thuvayoor	23.05.2017
126	Pattimattom	24.05.2017
127	Koovappady	25.05.2017
128	Nooranad	15.06.2017
129	Vallikunnam	16.06.2017
130	Muthukulam	17.06.2017
131	Krishnapuram	20.06.2017
132	Arattupuzha	21.06.2017
133	Karthikappally	22.06.2017
134	Pazhanji	12.07.2017
135	Guruvayoor	13.07.2017

136	Arimbur	19.07.2017
137	Ammadam	20.07.2017
138	Marathakara	21.07.2017
139	Puthur	22.07.2017
140	Pazhayannur	26.07.2017
141	Desamangalam	27.07.2017
142	Kizhakkancherry	21.08.2017
143	Kuthanur	22.08.2017
144	Pudukode	23.08.2017
145	Vadavanoor	24.08.2017
146	Vandithavalam	25.08.2017
147	Kadhambaripuram	26.08.2017
148	Marathuvaroad	29.08.2017
149	Melmuri	31.08.2017
150	Vengola	11.09.2017
151	Edayar	13.09.2017
152	Chovara	14.09.2017
153	Thevakkal	15.09.2017
154	Parakadavu	18.09.2017
155	Manjappa	19.09.2017
156	Kanjur	20.09.2017
157	Kaloorkadu	22.09.2017
158	Pothanikadu	23.09.2017
159	Pambakuda	25.09.2017
160	Valayanchirangara	26.09.2017
161	Kothamangalam No.2	27.09.2017
162	Keerampara	28.09.2017
163	Perumpuzha	10.04.2017
164	Nallila	11.04.2017
165	Azhuvanam	12.04.2017
166	Kottarkkara West	17.04.2017
167	Ayoor	18.04.2017
168	Puthur	19.04.2017
169	Chadayamangalam	21.04.2017
170	Karukonam	22.04.2017

171	Anchal East	24.04.2017
172	Chithara	26.04.2017
173	Peravanthoor	27.04.2017
174	Peyad	09.05.2017
175	Aryanad	10.05.2017
176	Ottasekharamangalam	11.05.2017
177	Amboori	12.05.2017
178	Palode	15.05.2017
179	Tholicode	16.05.2017
180	Peringamala	17.05.2017
181	Kallara	18.05.2017
182	Vamanapuram	19.05.2017
183	Nemom	21.05.2017
184	Kalliyoor	23.05.2017
185	Neyyattinkara	25.05.2017
186	Kottukal	30.05.2017
187	Vellayambalam	13.06.2017
188	Contonment	14.06.2017
189	Poomthura	15.06.2017
190	Thirumala	16.06.2017
191	Kulathoor	19.06.2017
192	Kazhakuttom	20.06.2017
193	Mangalapuram	21.06.2017
194	Pothencode	22.06.2017
195	Pallikal	23.06.2017
196	Palachira	26.06.2017
197	Attingal	27.06.2017
198	Madavoor	28.06.2017
199	Kidangara	13.07.2017
200	Kaingiri	14.07.2017
201	Edathuva	15.07.2017
202	Thaneermukkam	17.07.2017
203	Cherthala West	18.07.2017
204	Pathirapally	21.07.2017

205	Muhama	22.07.2017
206	Aruvukutty	24.07.2017
207	Arthinkal	25.07.2017
208	Alappuzha North	26.07.2017
209	Chamabakulam	27.07.2017
210	Valapad	09.08.2017
211	Kodungaloor No.1	10.08.2017
212	Kaipamangalam	11.08.2017
213	Erayad	14.08.2017
214	Cherakkal	16.08.2017
215	Puthenchira	17.08.2017
216	Koombodinjamakal	18.08.2017
217	Katoor	19.08.2017
218	Anamanada	21.08.2017
219	Kodakara	22.08.2017
220	Pariyaram	23.08.2017
221	Vellikulangara	24.08.2017
222	Meloor	25.08.2017
223	Varuntharappally	26.08.2017
224	Kuzhoor	29.08.2017
225	Mariyamuttom	08.09.2017
226	Poozhikunnu	11.09.2017
227	Kunnathukal	13.09.2017
228	Uchakada	14.09.2017
229	Poovar	15.09.2017
230	Vellarada	16.09.2017
231	Edava	18.09.2017
232	Varkala	19.09.2017
233	Chirayinkeezhu	20.09.2017
234	Nagaroor	22.09.2017
235	Fort	23.09.2017
236	Puthenchantha	25.09.2017
237	Kudapanakunnu	26.09.2017
238	Thiruvalam	27.09.2017

KERALA STATE ELECTRICITY REGULATORY COMMISSION

KPFC Bhavanam Vellayambalam, Sasthamangalam P.O., Trivandrum-695010

Annexure-III

BALANCESHEET AS AT 31.03.2018

Previous Year Rs. Ps.	CORPUS/CAPITAL FUND/LIABILITIES	Schedule	Current Year		Previous Year		ASSETS	Schedule	Current Year	
			Rs.	Ps.	Rs.	Ps.			Rs.	Ps.
25,99,07,948.08 (33,36,019.09)	1) Corpus/Capital Fund/KSERC Fund		25,65,71,928.99	2,77,47,983.15	1) Fixed Assets-Gross Block	4	2,79,62,182.15			
25,65,71,928.99	Add: Excess of income over Expenditure		3,02,76,621.25	(1,67,70,450.88)	Less: Accumulated Depreciation		(1,79,34,607.88)			
-	Add: B/F Profit from Previous year		28,68,48,550.24	1,09,77,532.27	2) Building under Construction		1,00,27,574.27			
25,65,71,928.99			28,68,48,550.24	4,55,649.00	3) Advances	5	9,50,422.00			
88,95,519.00	2) Other Funds			43,357.00	3.1 Prepaid Expenses		1,39,299.00			
	2.1 Capital Grands From State Government	1	82,06,736.00		4) Deposits	6				
	3) Deferred Credit Liabilities				4.1 Security Deposits		1,10,304.00			
1,847.00	3.1 Un-allocated Grant from Power Finance Corp	2	399.00	1,08,304.00	4.2 Fixed Deposits		25,29,35,556.00			
41,29,276.00	4) Current Liabilities & Provisions	3	49,17,381.00	17,52,16,492.00	5) License Fee Receivable	7	-			
				61,72,586.00	6) Accrued Interest on Fixed Deposits		2,61,03,448.00			
				65,59,585.00	7) Accrued Interest on Treasury SB accounts		-			
				3,57,943.00	8) Cash & Bank Balance	8	13,01,598.00			
				1,77,45,778.00	8.1 Cash at Treasury Savings					
				2,13,72,904.21	8.2 Cash in SBI Kowdiar		3,68,894.50			
					GPF Bank Account - 3558		2,97,776.00			
					Revenue Bank Account - 2223		23,26,312.00			
					Expenditure Bank Account - 21920		692.00			
					8.3 Cash in Hand		1,78,500.00			
					8.4 Recurring Deposit		-			
					8.5 Sweep Account-5914		-			
					8.6 Sweep Account-0556		13,51,000.00			
					8.7 Sweep Account-3245		38,46,543.96			
					8.8 Sweep Account-7276		35,146.50			
					8.9 Current account with SBI					
26,95,98,570.99	Total		29,99,73,066.24	26,95,98,570.98	Total		29,99,73,066.23			

for Krishna Nayagam & Associates
Chartered Accountants
FRN: 0084585

K. Brahma Nayagam Pillai FCA
Partner
M.No. 207641

Sd/-
Chairman
for and on behalf of the commission

Sd/-
Member

Sd/-
Secretary

Trivandrum
16-08-2018

KERALA STATE ELECTRICITY REGULATORY COMMISSION

KPFC Bhavanam Vellayambalam, Sasthamangalam P.O., Trivandrum-695010

Income & Expenditure Accounts for the period from 01.04.2017 to 31.03.2018

No	EXPENDITURE	Current Year		Previous Year		No	INCOME	Current Year		Previous Year	
		Rs.	Ps.	Rs.	Ps.			Rs.	Ps.	Rs.	Ps.
1	Establishment Expenses					1	Licence Fee	3,39,15,845.00		3,84,82,598.00	
1.1	Net Salaries - Chairman & Members	54,36,396.00		51,58,894.00		2	Petition Fee	33,62,532.00		3,01,13,542.00	
1.2	Net Salaries - Officers & Establishment	84,83,047.00		82,03,912.00		3	Application Fee	318.00		706.00	
1.3	Net Salaries - Other Staffs	28,73,976.00		25,41,043.00		4	Bank Interest	2,21,30,120.00		2,37,82,379.00	
a	Allowances and Bonus	97,500.00		93,600.00		5	Hire Charges Received	-		-	
b	House Upkeep Expenses	2,29,445.00		2,12,209.00		6	Re-imbursed & Other Income	3,462.00		3,810.00	
c	Medical Reimbursement	-		41,194.00		7	Deferred Income	6,19,925.00		5,94,170.00	
d	Pension Contribution	6,17,562.00		5,75,868.00		8	Grant from State Government	-		-	
1.4	Security Charges	3,34,937.00		2,16,435.00		9	Prior Period Adjustments	1,02,005.00		6,15,376.00	
1.5	Employer Contribution to PF & Admin Charges	24,048.00		34,296.00		10	Certificate Fee	-		-	
1.6	DA Arrears	6,31,393.00		-		11	Miscellaneous Receipts	7,155.00		89,241.50	
1.7	Leave Salary	19,08,522.00		2,39,789.00							
1.8	Terminal Earned Leave Surrender	-		-							
2	Travel Expenses										
	Domestic Travels - Chairman & Members	4,44,039.00		2,06,082.00							
	Domestic Travels - Officers	2,72,682.00		2,70,881.00							
	Overseas - Chairman & Members	-		-							
3	Administrative Expenses										
	Advertisement Charges	-		-							
	AG Audit Fee	65,000.00		9,36,717.00							
	AMC	69,175.00		65,000.00							
	Bank Charges	3,838.00		1,44,816.00							
	Professional & Consultancy Charges	1,35,063.00		2,476.79							
	Cooking Gas	3,750.00		1,12,773.00							
	Postage & Courier Charges	6,646.00		3,076.00							
	Electricity & Power	2,52,120.00		17,270.00							
	Fuel & Oil Expenses	2,70,676.00		2,44,446.00							
	Insurance	46,389.00		4,05,691.00							
	Internal Auditors fee	56,640.00		41,530.00							
	Internet Subscription	-		50,602.00							
	Loading & Unloading	-		-							
	Newspapers & Periodicals	37,150.00		1,18,790.00							
	Office Expenses	-		-							
	Other Charges	-		-							
	Petition Fee Refunded	-		-							

Public Hearing Expenses	1,07,543.00	1,27,524.00		
Rent Rates & Taxes	3,036.00	3,036.00		
Service Charges	-	-		
Sitting Fee	13,000.00	12,000.00		
Subscription & Member fee	14,69,007.00	12,69,520.00		
Telephone & Communication Charges	1,88,198.00	2,26,518.00		
Training Charges	-	-		
Water Charges	-	-		
Common Share of KPFC	3,44,719.00	2,19,297.00		
Ombudsman Expenses	5,07,128.00	4,70,780.00		
Accounting Charges	-	-		
Consultants Staff Salary	21,80,322.00	22,27,552.00		
Penal Interest on TDS	-	-		
Miscellaneous Expenses	11,577.00	43,061.00		
Registration & Renewals	-	56,219.00		
Printing & Stationery				
4 Printing & Stationery	3,94,115.00	2,64,073.00		
5 Repairs & Maintenance	3,27,312.00	4,08,577.00		
6 Hospitality Expenses	55,344.00	66,504.00		
7 Other Fee Paid to Internal Auditor	-	-		
8 Legal Charges	1,00,000.00	-		
9 Meeting Expenses	2,91,355.75	5,79,639.00		
10 Prior Period Adjustments	1,25,172.00	6,96,09,743.80		
11 Medical Assistance	30,000.00	15,000.00		
12 Sponsorship	-	1,00,000.00		
13 Stipend to trainees	50,000.00	10,000.00		
14 Gratuity	61,405.00	74,349.00		
15 Lease rent to KSEBL	1,50,548.00	-		
16 Lease rent to KSPIFC	12.00	-		
17 Depreciation (schedule 4)	11,54,953.00	12,97,058.00		
Excess of Income Over Expenditure (Transferred to Capital Fund Account)	3,02,76,621.25	(33,36,019.09)		
Total:	6,01,41,362.00	9,36,81,822.50	Total:	6,01,41,362.00
				9,36,81,822.50

for Krishna Nayagam & Associates
Chartered Accountants
FRN: 008458S

K. Brahmanayagam Pillai FCA
Partner
M.No. 207641

Sd/-
Chairman
for and on behalf of the commission

Sd/-
Member

Sd/-
Secretary

Trivandrum
16-08-2018

KERALA STATE ELECTRICITY REGULATORY COMMISSION

KPFCL Bhavanam Vellayambalam, Sasthamangalam P.O., Trivandrum-695010

Statement of Receipts & Payments for the period from 1-Apr-2017 to 31-Mar-2018

Receipts	Current Year	Previous Year	Payments	Current Year	Previous Year
To Opening Balance:			By Expenses		
(a) Cash in Hand	2,145.00	5,834.00	" (1) Establishment Expenses	38,69,746.00	40,27,648.00
(b) Bank Balances			(i) Salaries (Chairman & Members of the Commission)	76,70,222.00	73,34,831.00
Special TSB Accounts in District Treasury:			(ii) Salaries (officers and establishment)	11,79,539.00	11,65,069.00
Treasury SB Account - 142	4,92,626.00	4,92,626.00	(iii) Salary to Ombudsman	26,18,354.00	19,51,179.00
Treasury SB Account - 144	1,72,53,152.00	1,08,01,000.00	(iv) Salary to others	97,500.00	93,600.00
(i) In current Accounts	35,795.50	-	(v) Allowances and Bonus	31,73,945.00	26,57,535.00
(ii) In Deposit Accounts (Recurring deposit)	76,500.00	-	(vi) Tax Deducted at source	7,40,432.00	2,39,789.00
(iii) Savings Accounts (SBI KOWDIAR):			(vii) Leave Salary		
CPF Bank Account - 3558	2,47,896.50	2,28,581.00	" (2) Travel Expenses	4,93,385.00	2,68,971.00
Revenue Bank Account - 2223	2,11,25,007.71	27,28,151.00	(i) Domestic Travels (Commission)	1,69,836.00	1,17,971.00
(iv) Sweep Accounts	3,04,74,000.00	-	(ii) Domestic Travels Officers		
" Grant Received			(iii) Overseas Travels	-	-
(a) State Governments	-	-	" (3) Administrative Expenses	9,17,983.00	3,511.00
" (1) Receipts of the Commission			(i) Advertisement charges	69,175.00	66,793.00
(a) Petition Fee Collected	33,62,532.00	3,01,23,542.00	(ii) AMC	2,56,254.00	2,42,391.00
(b) License Fee Collected	4,00,88,431.00	3,23,10,012.00	(iii) Electricity & Power	2,80,133.00	3,45,258.00
(c) Application Fee	-	-	(iv) Fuel & Oil Expenses	3,27,312.00	4,08,477.00
(d) Bank Interest	29,17,336.00	1,68,64,851.00	(v) Repairs & Maintenance	3,036.00	3,036.00
(e) Collection for RD	-	-	(vi) Rates & Taxes		
(f) Right to Information	318.00	706.00	(vii) Advocate Fee	-	-
(g) Certificate Fee	-	-	(viii) Telephone & Communication Charge	1,91,527.00	2,31,457.00
" (2) Hire Charges Received	-	-	(ix) Printing & Stationery	6,40,515.00	1,00,593.00
" (3) Personal TAX from Chairman	-	-	(x) Medical Expenses (Reimbursement)	-	46,694.00
" (4) Prior Period Adjustments	-	-	(xi) News Papers & Periodicals	38,670.00	1,17,270.00
" (5) Other Receipts	2,53,555.00	4,09,241.50	(xii) Sitting fee	13,000.00	12,000.00
" (6) Refund of TA	-	-	(xiii) Auditors Remuneration/Legal Fee	-	-
" (7) Sale Of Fixed Assets	-	-	(xiv) Penalty	-	-
Motor Car	-	-	(xv) Hospitality Expenses	55,344.00	67,842.00
Tax Deducted at Source-Liability	2,55,038.00	1,07,338.00	(xvi) Postage & Courier Charge	6,646.00	17,270.00
From Creditors & other outstanding Remittance	-	-	(xvii) Pension Contribution	82,980.00	-
EMD	-	-	(xviii) Internet Subscription	-	-
Travelling Expense Refunded (Miscellaneous Income)	3,462.00	3,810.00	(xix) Meeting Expenses	2,91,355.75	5,62,658.00
Security Deposit- Received	-	1,00,000.00	(xx) Running & Hire Charges	-	-
Caution Deposit Received	-	-	(xxi) Service Charges	-	-
Advance refund from Employees	1,77,000.00	3,64,000.00	(xxii) Other Charges	-	-
Fixed Deposit	-	-	(xxiii) Office Expenses	-	-
Employees PF	-	6,000.00	(xxiv) Public Hearing Charges	88,963.00	1,27,524.00

.. (5) Expenditure on Capital assets					
(a) Furniture & Fixtures	26,085.00				-
(b) Electrical Fittings	26,900.00				-
(c) Computer & Accessories	69,300.00				7,800.00
(d) Sculpture	-				-
(e) Building Work In Progress	4,94,773.00				4,10,861.00
(f) Books	4,649.00				1,818.00
(g) Office Equipments	48,265.00				-
(h) Telephone	-				-
(i) Oil Painting	-				12,000.00
(j) Camera	39,000.00				-
.. (6) Payment to Sundry Creditors					
(a) Legal Charges	1,00,000.00				-
(b) Fee for filing Income Tax Returns	-				-
(c) Fixed Deposits					
(d) District Treasury, Trivandrum	7,76,93,850.00				-
(d) Akshara offset(Printing Charges)	-				4,79,401.00
.. Closing Balance:					
(a) Cash in Hand	692.00				2,145.00
(b) Cash at Bank					
Special TSB Accounts In District Treasury:					
Treasury SB Account - 142	4,92,626.00				4,92,626.00
Treasury SB Account - 144	8,08,972.00				1,72,53,152.00
(i) In current Accounts	35,146.50				35,795.50
(ii) In Deposit Accounts (Recurring deposit)	1,78,500.00				76,500.00
(iii) Savings Accounts (SBI KOWDIAR):					
GPF Bank Account - 3558	3,68,894.50				2,47,896.50
Revenue Bank Account - 2223	2,97,776.00				2,11,25,007.71
Expenditure Bank Account - 21920	23,26,312.00				-
(iv) Sweep Accounts					
Sweep Account-5914	-				85,33,000.00
Sweep Account-0556	-				2,19,41,000.00
Sweep Account-3245	13,51,000.00				-
Sweep Account-7276	38,46,543.96				-
Total	11,67,64,794.71				9,45,51,496.50

Total **11,67,64,794.71** **9,45,51,496.50**
for Krishna Nayagam & Associates
Chartered Accountants
FRN: 008458S


K. Brahmanayagam Pillai FCA
Partner
M.No. 207641

Trivandrum 16-08-2018
Sd/- Secretary
Sd/- Chairman
for and on behalf of the commission

SCHEDULES FORMING PART OF BALANCE SHEET

Particulars	Amount			
	Current Year		Previous Year	
	As on 31.03.2018		As on 31.03.2017	
	Rs.	Ps.	Rs.	Ps.
SCHEDULES-1				
CAPITAL GRANTS FROM STATE GOVERNMENT				
As per last balance sheet	88,95,519.00		1,00,83,859.00	
<i>Less:</i> Amount trfd to Income & Expenditure Account	(6,88,783.00)		(11,88,340.00)	
	82,06,736.00		88,95,519.00	
SCHEDULES-2				
UNALLOCATED GRANT OF PFC LIMITED				
As per Last Balance sheet	1,847.00		1,847.00	
<i>Less:</i> Amount trfd to Income & Expenditure Account	(1,448.00)		-	
	399.00		1,847.00	
SCHEDULES-3				
CURRENT LIABILITIES & PROVISIONS				
Consultancy Assignment Amount Received from KSEB & Others	-		-	
EMD from Consultants	1,14,712.00		1,14,712.00	
Sundry Creditors			-	
AG Audit fee payable	2,36,820.00		2,34,240.00	
Courier charges Payable	-		-	
Dearness Relief Payable	-		-	
Electricity Charges Payable	23,452.00		27,586.00	
Fuel Charges Payable	12,931.00		22,388.00	
GPF	6,22,259.00		4,09,360.00	
Pension Contribution Payable	14,59,665.00		9,09,543.00	
Hospitality Charges Payable	-		-	
House Upkeep Expenses Payable	-		-	
Internal Audit Fee Payable	56,640.00		49,560.00	
LIC	1,917.00		1,917.00	
Newspaper & Periodicals Payable	-		1,520.00	
Recoupment of Imprest Payable	-		-	
Rent Payable	95,400.00		48,600.00	
Salary Payable	-		1,74,000.00	
Ombudsman Expenses Payable	-		-	
Security Deposits	1,06,500.00		1,06,500.00	
TDS Payable	42,324.00		76,080.00	
Telephone Charges Payable	15,848.00		19,177.00	
Printing Charges Payable	-		-	
Travelling Expenses Payable	1,49,478.00		95,978.00	
Professional & Consultancy Charges Payable	9,000.00		-	
Advertisement Charges Payable	-		9,17,983.00	
Medical Reimbursement Payable	-		-	
Lease Rent payable to KSEBL	2,50,913.00		-	
Lease Rent payable to KSPIFC	75.00		-	
Provision for Gratuity	4,80,441.00		4,19,036.00	
Provision for Leave encashment	11,68,090.00		-	
Employees Other Deduction Payable	70,916.00		84,115.00	
Chairman selection committee meeting Expense	-		16,981.00	
FOIR Subscription payable	-		4,00,000.00	
TOTAL (A):	49,17,381.00		41,29,276.00	

Particulars	Amount			
	Current Year		Previous Year	
	As on 31.03.2018		As on 31.03.2017	
	Rs.	Ps.	Rs.	Ps.
ADVANCE RECEIVED				
KINESCO	-	-	-	-
Rubber Park	-	-	-	-
Smart City	-	-	-	-
Suzlon Energy Ltd	-	-	-	-
Techno Park Trivandrum	-	-	-	-
Trissur Corporation	-	-	-	-
TOTAL (B):				
TOTAL (A+B):	49,17,381.00		41,29,276.00	
SCHEDULE-5				
ADVANCES				
2.1 Prepaid Expenses				
Telephone Charge Prepaid	-	-	-	-
AMC Prepaid	-	-	-	-
Prepaid Insurance	44,520.00		35,722.00	
Advance Tax & TDS	94,779.00		1,635.00	
Expense Advance to Staffs	-		6,000.00	
TOTAL:	1,39,299.00		43,357.00	
SCHEDULE-6				
3.1 DEPOSITS				
Electricity Deposit	28,000.00		28,000.00	
KSCSC Deposit	60,000.00		60,000.00	
Rental Deposit	15,304.00		15,304.00	
Hall Security Deposit	7,000.00		5,000.00	
	1,10,304.00		1,08,304.00	
3.2 Fixed Deposits				
Fixed Deposits - District Tressury Trivandrum	25,26,93,850.00		17,50,00,000.00	
Fixed Deposits - SBT	2,41,706.00		2,16,492.00	
	25,29,35,556.00		17,52,16,492.00	
SCHEDULE-7				
LICENSE FEE RECEIVABLE				
Cochin Port Trust	-		-	
Cochin SEZ	-		-	
INFO Park	-		-	
KDHPCPL	-		-	
KSEB	-		61,72,586.00	
	-		61,72,586.00	
SCHEDULE-8				
TREASURY BANK BALANCES				
Treasury SB A/c No. 142	4,92,626.00		4,92,626.00	
Treasury SB A/c No. 244	8,08,972.00		1,72,53,152.00	
	13,01,598.00		1,77,45,778.00	

Sd/-
Secretary

Sd/-
Member

Sd/-
Chairman

KERALA STATE ELECTRICITY REGULATORY COMMISSION
 KPFC Bhavanam Vellayambalam, Sasthamangalam P.O., Trivandrum-695010
Statement of Fixed Assets as on 31.03.2018

Schedule 4

Sl. No.	ITEMS	Gross block				Depreciation/Amortisation		Net Block					
		Balance as at 1 April, 2017	Date of Addition	Days put-to-use 31-03-2018	Additions	Deletions	Balance as at 31 March, 2018	Rate %	As on 01.04.2017	For the Year	Total	As at 31.03.2017	As at 31.03.2018
1	Leasehold Building	1,48,54,257.00							62,38,786.00	5,94,170.00	68,32,956.00	86,15,471.00	80,21,301.00
2	Air Conditioner Prior period depreciation	9,16,635.00				0.00			6,91,128.20	31,368.00	7,22,496.20	2,25,506.80	1,94,138.80
3	Volta Airconditioner Furniture & Fixtures Oil Painting	0.00 34,51,021.15 12,000.00	31-10-2017	152	26,900.00	0.00			0.00	1,558.00	1,558.00	0.00	25,342.00
4	Steel Almirah Executive Chair Office Equipments	0.00 0.00 8,54,136.00	09-11-2017 16-08-2017	143 228	7,500.00 26,525.00	0.00 0.00			1,226.00	1,950.00	3,176.00	10,774.00	8,824.00
5	Camera Office Machinery Paper Shredder	0.00 2,51,295.00 0.00	24-01-2018 04-01-2018	67 87	39,000.00 18,585.00	0.00 0.00			4,71,981.54	76,431.00	5,48,412.54	3,82,154.46	3,05,723.46
6	Motorcar	48,69,378.00				0.00			1,73,813.76	10,778.00	1,84,591.76	77,481.24	66,703.24
7	Computer & Accessories Cannon Printer Dell Laptop Cannon Printer MF 244 DW	21,70,695.00 7,800.00 0.00 0.00				0.00 0.00 0.00 0.00			41,62,146.93	1,83,102.00	43,45,248.93	7,07,231.07	5,24,129.07
8	Softwares	2,68,841.00				0.00			19,33,538.10	94,863.00	20,28,401.10	2,37,156.90	1,42,293.90
9	Television	48,990.00				0.00			692.00	2,843.00	3,535.00	7,108.00	4,265.00
10	Telephone Instruments	12,750.00				0.00			16,784.00	16,784.00	16,784.00	0.00	52,516.00
11	TV Stand	2,000.00				0.00			0.00	2,774.00	2,774.00	0.00	14,216.00
12	Stabilizer	4,500.00				0.00			0.00	755.00	755.00	0.00	3,995.00
13	Library Books	21,867.00				0.00			2,68,841.00	0.00	2,68,841.00	0.00	0.00
	Books	135.00				0.00			27,967.63	3,153.00	31,120.63	21,022.37	17,869.37
	Books	1,683.00				0.00			12,749.00	1.00	12,750.00	1.00	0.00
	Books	0.00				0.00			1,999.00	1.00	2,000.00	1.00	0.00
	Books	0.00				0.00			4,499.00	1.00	4,500.00	1.00	0.00
	Books	0.00				0.00			21,866.00	1.00	21,867.00	1.00	0.00
	Books	135.00				0.00			100.00	35.00	135.00	35.00	0.00
	Books	1,683.00				0.00			526.00	1,157.00	1,683.00	1,157.00	0.00
	Books	0.00				0.00			0.00	1,939.00	1,939.00	0.00	366.00
	Books	0.00				0.00			0.00	28.00	28.00	0.00	66.00
	Books	0.00				0.00			0.00	37.00	37.00	0.00	2,213.00
	Total	2,77,47,983.15			2,14,199.00	0.00			1,67,70,450.88	11,64,157.00	1,79,34,607.88	1,09,77,532.27	1,00,27,574.27

Sd/-
Secretary

Sd/-
Member

Sd/-
Chairman

NOTES FORMING PART OF THE ACCOUNTS

1. ACCOUNTING POLICIES

a) System of Accounting

The Commission adopts accrual concept in the preparation of accounts. Balance Sheet, Income and Expenditure Account and Receipts and Payment Account of the Commission are prepared under Historical Cost Convention in accordance with Generally Accepted Accounting Principles in India, the mandatory accounting standards issued by the Institute of Chartered Accountants of India.

The Commission maintains its accounts as prescribed in the Kerala State Electricity Regulatory Commission (Form of Annual Statement of Accounts and Records) Rules, 2004.

b) Revenue Recognition

License fee levied at, 0.03% on the revenue from Sale of Power by the Distribution Licensees during the preceding year, has been recognized as Income on receipt basis, as the adjustment of fee to be made on the basis of final accounts of the licensee cannot be ascertained before closure of Commission's Account. Petition fee and Application fee are recognized as Income on receipt basis as followed in the previous year.

Amount of Rs. 5,94,170 /- being Annual Lease Rental for the 2017-18 is adjusted from advance made to KSPIFC from Capital Grants from State Government (Liability), Rs. 6,19,925/- has been recognized as deferred income by adjusting Rs. 6,19,659/- & Rs. 266/- from grants received from state government & power finance corporation respectively.

c) Fixed Assets and Depreciation/Amortisation

Fixed Assets are stated at historical cost less depreciation and amortisation.

Leasehold building which were shown under Lease Advance to KPFC under Current Assets up to previous year, now brought under Leasehold Buildings under Fixed Assets. Amortisation has been done over the period of lease and necessary regrouping has been done in the previous figure also. Depreciation on all Fixed Assets has been provided on pro-rata basis from the date of installation/purchase. Depreciation has been provided on the written down value method as followed in the previous year and at the rates as given below:

Description	Rate of Dep.
Air Conditioner	13.91%
Furniture & Fittings	18.10%
Office Equipments	20.00%
Office Machinery	13.91%
Motor Vehicles	25.89%
Computer & Accessories	40.00%
Computer Software	100.00%
Television	15.00%
Library Books, Television Stand, Stabilizer and Telephone Instruments	100.00%

2. Amount received from Government of Kerala as grants and loans, petition fee, licence fee and interest earned from investment are exempt from tax under section 10(46) as per the Notification No. 85/2014; dt. 23-12-2014. Income tax exemption is applicable for the financial years from 2012-13 to 2016-17. The Commission has filed an application for extension and the matter is pending with the Income Tax for approval.
3. During the audit period, the Commission has incurred an expenditure of Rs. 3,09,070/- towards printing Compendium book, out of which Rs. 2,46,400/- has been refunded by KSEB being expenditure of proportionate copies supplied to them.
4. Interest certificate for Treasury savings account No: 244 not yet received from treasury. Hence accrued interest not booked for the same. In the previous year Rs. 3,57,943/- was accrued interest from this account.
5. The Commission needs to rectify default in TDS filing:

Default Summary for the financial year 2017-18

Quarter	Form Type	Net Payable (Rounded-Off) (Rs.)
Q4	24Q	4890.00
Total Net Payable (Rs.)		4890.00

6. The Commission has earned income from the Sale of Compendium Book amounting to Rs. 1,000/- & Fee for authenticated copy of orders issued against petitions amounting to Rs. 6,155/- is booked under miscellaneous receipts.

7. AG auditors recommended to review the liability in TDS payable Rs. 30,397/- which is related to TDS on payment made to Aneesh James Rs. 9,000/- and Maya Haridas Rs. 21,937/-. The former amount was subsequently seen remitted and Mrs. Maya Haridas has included the relevant income in her Income Tax return for AY 2014-15 and paid tax. The above liability will be written off after evaluation in the coming year and after obtaining formal decision of the Commission to write off the same.

Prior period Adjustments:

8. In the financial year 2016-17, salary on account of half pay leave incorrectly shown as employee other deduction payable of Rs.31,699/- which have been rectified and adjusted in the current year as prior period adjustments.
9. The commission has made an agreement with KSEBL to lease land at Kalamassery for building office for Ombudsman. As per AG audit report, the commission has decided to provide for lease rent to KSEBL for 8 months of Rs. 1,00,365/- for the year 2016-17 has been charged to prior period item.
10. Rent to KSPIFC Rs.1 per month was not accounted on accrual basis. The agreement was executed on 03/01/2012. Thus the rent calculated for 5 year and 3 months at Rs.1 per month Rs.63 accounted as prior period item. For the period 2017-18 Rs. 12/- is accounted as Lease rent for current year.
11. Depreciation of Air conditioner purchased on 11/05/2015 was not calculated due to omission to include in computation. Depreciation is calculated for the year 2015-16 Rs. 4,632/- and 2016-17 Rs. 3,936/- is charged as prior period item.
12. There was an Error in computation of pension contribution in the year 2016-17 of Rs. 15,540/- is charged as prior period item.
13. The accounting for grants received for the purchase of fixed assets are accounted on deferred income basis. However the proportionate income has not been appropriated from the deferred income to income and expense account for the years 2015-16 and 2016-7. Hence Rs. 38,740/- for the year 2015-16 and Rs. 31,566/- for the year 2016-17 is charged to Prior period item.

Sd/-
Secretary

Sd/-
Member

Sd/-
Chairman

